

103^D CONGRESS
2^D SESSION

H. R. 4566

To restore the American family, reduce illegitimacy, and reduce welfare dependence.

IN THE HOUSE OF REPRESENTATIVES

JUNE 10, 1994

Mr. TALENT (for himself, Mr. HUTCHINSON, Mr. CANADY, Mr. ARMEY, Mr. BAKER of California, Mr. BALLENGER, Mr. BARTON of Texas, Mr. BLILEY, Mr. BLUTE, Mr. BOEHNER, Mr. BURTON of Indiana, Mr. CALVERT, Mr. COBLE, Mr. COLLINS of Georgia, Mr. COX, Mr. CRANE, Mr. DICKEY, Mr. DOOLITTLE, Mr. DORNAN, Mr. EWING, Mr. GRAMS, Mr. HANCOCK, Mr. HASTERT, Mr. HOEKSTRA, Mr. HUNTER, Mr. ISTOOK, Mr. SAM JOHNSON of Texas, Mr. KINGSTON, Mr. LEVY, Mr. LINDER, Mr. MANZULLO, Mr. MCCOLLUM, Mr. MCCRERY, Mr. MCHUGH, Mr. POMBO, Mr. ROHRBACHER, Mr. ROTH, Mr. SOLOMON, Mr. STEARS, Mr. STUMP, Mr. WALKER, and Mr. ZELIFF) introduced the following bill; which was referred jointly to the Committees on Ways and Means, Education and Labor, Agriculture, Banking, Finance and Urban Affairs, the Judiciary, Energy and Commerce, Government Operations, Rules, Natural Resources, and Public Works and Transportation

A BILL

To restore the American family, reduce illegitimacy, and reduce welfare dependence.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Real Welfare Reform
3 Act of 1994”.

4 **SEC. 2. REFERENCES IN ACT; TABLE OF CONTENTS.**

5 (a) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-
6 cept as otherwise specifically provided, whenever in this
7 Act an amendment is expressed in terms of an amendment
8 to or repeal of a section or other provision, the reference
9 shall be considered to be made to that section or other
10 provision of the Social Security Act.

11 (b) TABLE OF CONTENTS.—The table of contents is
12 as follows:

Sec. 1. Short title.

Sec. 2. References in Act; table of contents.

TITLE I—WORK REQUIREMENTS FOR WELFARE RECIPIENTS

Sec. 101. Reform of the job opportunities and basic skills training program.

Sec. 102. Work requirement for able-bodied non-parents in food stamp pro-
gram.

Sec. 103. Requirement that certain AFDC applicants conduct job search activi-
ties.

Sec. 104. Effective date.

TITLE II—PROMOTION OF MARRIAGE AND SOCIAL
RESPONSIBILITY

Subtitle A—Welfare Benefits

Sec. 201. Promotion of families.

Sec. 202. Benefit provisions regarding additional children.

Sec. 203. Provisions relating to paternity establishment.

Subtitle B—Grants for Assistance to Children Born Out-Of-Wedlock

Sec. 211. Grants to States.

Subtitle C—Removal of Barriers to Interethnic Adoption

Sec. 221. Findings and purpose.

Sec. 222. Multiethnic placements.

Subtitle D—Tax Credit for Certain Low-Income Families

Sec. 231. Additional earned income credit for married individuals.

TITLE III—CHILD SUPPORT ENFORCEMENT

Sec. 301. National reporting of information relating to child support with respect to certain employees.

Sec. 302. State information systems.

Sec. 303. National information systems.

Sec. 304. Income withholding.

Sec. 305. Uniform terms in orders.

Sec. 306. Improvements in paternity establishment.

Sec. 307. Waiver of fee for certain individuals receiving child support collection or paternity determination services.

TITLE IV—SPECIFIC REFORMS IN WELFARE SPENDING

Sec. 401. Income eligibility guidelines for school lunch and breakfast programs.

Sec. 402. Repeal of expansions to food stamp program.

Sec. 403. Repeal of empowerment zones and enterprise communities.

Sec. 404. Reduction of benefits to AFDC families who also receive public housing benefits.

Sec. 405. Reduction of social services block grants.

Sec. 406. Restrictions on welfare benefits provided to aliens.

Sec. 407. Replacement of cash benefit with medical vouchers.

Sec. 408. Disability review required for SSI recipients who are 18 years of age.

Sec. 409. Amount of funds available for low-income home energy assistance.

TITLE V—STATE OPTIONS AND MISCELLANEOUS PROVISIONS

Sec. 501. Option to time limit welfare.

Sec. 502. Option to treat interstate immigrants under rules of former State with respect to AFDC benefits.

Sec. 503. Evaluation of training programs.

Sec. 504. Elimination of welfare benefits with respect to fugitive felons and probation and parole violators.

TITLE VI—CAPPING THE AGGREGATE GROWTH OF WELFARE SPENDING

Sec. 601. Cap on growth of Federal spending on certain welfare programs.

Sec. 602. Establishment of welfare block grant program.

Sec. 603. Conversion of funding under certain welfare programs.

Sec. 604. Savings from welfare spending limits to be used for deficit reduction.

Sec. 605. Special rules with respect to grants for assistance to children born out-of-wedlock.

Sec. 606. Eligibility under the medicaid program.

1 **TITLE I—WORK REQUIREMENTS**
 2 **FOR WELFARE RECIPIENTS**

3 **SEC. 101. REFORM OF THE JOB OPPORTUNITIES AND BASIC**
 4 **SKILLS TRAINING PROGRAM.**

5 (a) AMENDMENT TO STATE PLAN REQUIREMENT.—
 6 Section 402(a)(19) (42 U.S.C. 602(a)(19)) is amended to
 7 read as follows:

8 “(19) provide that the State has in effect and
 9 operation a welfare and dependency reduction pro-
 10 gram which meets the requirements of part F;”.

11 (b) REPLACEMENT OF EXISTING PROGRAM WITH A
 12 NEW PROGRAM.—

13 (1) IN GENERAL.—Part F of title IV (42
 14 U.S.C. 481 et seq.) is amended to read as follows:

15 “PART F—WORKFARE AND DEPENDENCY REDUCTION
 16 PROGRAM

17 “PURPOSE OF PROGRAM

18 “SEC. 481. It is the purpose of this part to ensure
 19 that individuals receiving welfare assistance contribute
 20 services to their communities in exchange for such assist-
 21 ance.

22 “ESTABLISHMENT OF STATE PROGRAMS

23 “SEC. 482. As a condition of its participation in the
 24 program of aid to families with dependent children under
 25 part A, each State shall establish and operate a workfare

1 and dependency reduction program (in this part referred
2 to as the “program”) which meets the requirements of this
3 part.

4 “PROGRAM PARTICIPATION REQUIREMENTS

5 “SEC. 483. (a) PARTICIPATION REQUIREMENTS FOR
6 PARENTS IN THE AFDC UNEMPLOYED PARENT PRO-
7 GRAM.—

8 “(1) PARTICIPATION REQUIREMENT FOR INDIVIDUALS.—In the case of any family eligible for aid
9 to families with dependent children by reason of the
10 unemployment of the parent who is the principal
11 earner, the State shall require one parent to partici-
12 pate in the community work service program de-
13 scribed in section 484 for not less than 32 hours per
14 week and to conduct job search activities for not less
15 than 8 hours per week.

17 “(2) PARTICIPATION RATE REQUIREMENT FOR
18 STATES.—With respect to individuals described in
19 paragraph (1), each State shall maintain a partici-
20 pation rate (as determined under subsection (d)(1))
21 of 95 percent for quarters during fiscal year 1995
22 and succeeding fiscal years.

23 “(b) PARTICIPATION REQUIREMENT FOR CERTAIN
24 NONCUSTODIAL PARENTS.—

25 “(1) PARTICIPATION REQUIREMENT FOR INDIVIDUALS.—
26

1 “(A) IN GENERAL.—A State shall require
2 any individual described in subparagraph (B) to
3 participate in a State community work service
4 program described in section 484 in accordance
5 with subparagraph (C).

6 “(B) INDIVIDUALS DESCRIBED.—An indi-
7 vidual described in this subparagraph is an in-
8 dividual—

9 “(i) who resides in the State;

10 “(ii) whose place of residence or em-
11 ployment is known by the State;

12 “(iii) who is the noncustodial parent
13 of a dependent child receiving aid to fami-
14 lies with dependent children under part A;
15 and

16 “(iv) who is known by the State to
17 have failed to pay required child support
18 on behalf of such a child.

19 “(C) PARTICIPATION REQUIREMENTS.—If
20 an individual described in subparagraph (B)—

21 “(i) is employed, such individual shall
22 be required to work under the State com-
23 munity work service program for not less
24 than 16 hours per week; or

1 “(ii) is unemployed, such individual
2 shall be required to—

3 “(I) work under the State com-
4 munity work service program for not
5 less than 24 hours per week; and

6 “(II) conduct job search activities
7 for not less than 16 hours per week.

8 “(2) PARTICIPATION REQUIREMENT FOR
9 STATES.—With respect to individuals described in
10 paragraph (1), each State shall maintain a partici-
11 pation rate (as determined under subsection (d)(2))
12 of—

13 “(A) 50 percent for quarters during fiscal
14 year 1995; and

15 “(B) 90 percent for quarters during fiscal
16 year 1996 and succeeding fiscal years.

17 “(c) PARTICIPATION REQUIREMENT FOR ADULT RE-
18 CIPIENTS OF AFDC IN SINGLE-ADULT FAMILIES.—

19 “(1) PARTICIPATION REQUIREMENT FOR INDIV-
20 IDUALS.—Except as provided in subsection (a), the
21 State shall require each adult recipient of aid to
22 families with dependent children in a single-adult
23 family to participate in—

1 “(A) the State community work service
2 program described in section 484 for not less
3 than 30 hours per week; or

4 “(B) the benefits to wages program de-
5 scribed in section 485 for not less than 30
6 hours per week.

7 “(2) PARTICIPATION REQUIREMENT ON
8 STATES.—With respect to individuals described in
9 paragraph (1), each State shall maintain a partici-
10 pation rate (as determined under subsection (d)(3))
11 of—

12 “(A) 25 percent for calendar quarters dur-
13 ing fiscal year 1995; and

14 “(B) 50 percent for calendar quarters dur-
15 ing fiscal year 1996 and succeeding fiscal years.

16 “(3) WORK PRIORITY FOR FAMILIES WITH
17 OLDER CHILDREN.—

18 “(A) IN GENERAL.—Except as provided in
19 section 402(a)(47)(A), if a single-adult family
20 includes at least one dependent child under age
21 5, the adult recipient in such family shall not
22 be required to participate in the program under
23 paragraph (1) unless at least 80 percent of all
24 adult recipients in single-adult families which

1 include only children age 5 or older are partici-
2 pating in the program.

3 “(B) FAMILY STATUS.—If a State classi-
4 fies a family as a single-adult family including
5 only children age 5 or older on or after the date
6 which is 10 months after the date of the enact-
7 ment of the Real Welfare Reform Act of 1994,
8 the family shall continue to be so classified re-
9 gardless of whether an additional child under
10 age 5 becomes a member of the family.

11 “(4) STATE OPTION REGARDING PLACEMENT
12 OF INDIVIDUALS IN BENEFITS TO WAGES PRO-
13 GRAM.—The State may conduct a job placement
14 program under which the State contracts with pri-
15 vate entities to place individuals described in para-
16 graph (1) with qualified employers under the bene-
17 fits to wages program under section 485.

18 “(5) STATE OPTION TO PROVIDE EDUCATIONAL
19 ACTIVITIES OR JOB SKILLS TRAINING PROGRAM.—
20 Subject to the approval of the Secretary, a State
21 may require not more than 20 percent of the adult
22 recipients required to participate in the program
23 under paragraph (2), on average during any quarter,
24 to conduct educational or job skills training.

1 “(6) NONSUBSIDIZED EMPLOYMENT COUNT-
2 ABLE AS PARTICIPATION.—

3 “(A) IN GENERAL.—An adult recipient
4 may satisfy the 30-hour per week work require-
5 ment under paragraph (1)(A) by working solely
6 in nonsubsidized employment or by combining
7 hours worked under a community work service
8 program and hours worked in nonsubsidized
9 employment.

10 “(B) NONSUBSIDIZED EMPLOYMENT.—For
11 purposes of subparagraph (A), the term
12 ‘nonsubsidized employment’ means employment
13 with a private employer for wages.

14 “(7) ADULT RECIPIENT.—For purposes of this
15 subsection—

16 “(A) IN GENERAL.—Except as provided in
17 subparagraph (B), the term ‘adult recipient’
18 means an individual whose needs are met in
19 whole or part with payments of aid to families
20 with dependent children.

21 “(B) INDIVIDUALS EXCLUDED.—The term
22 ‘adult recipient’ shall not include—

23 “(i) a dependent child (unless such
24 child is the custodial parent of another de-
25 pendent child); or

1 “(ii) any parent who is a member of
2 a family eligible for aid to families with de-
3 pendent children by reason of the unem-
4 ployment of the parent who is the principal
5 earner.

6 “(8) SINGLE-ADULT FAMILY.—For purposes of
7 this subsection, the term ‘single-adult family’ means
8 a family receiving aid to families with dependent
9 children which includes one adult recipient and at
10 least one dependent child.

11 “(d) DETERMINATION OF PARTICIPATION RATES.—

12 “(1) UNEMPLOYED PARENTS.—A State’s par-
13 ticipation rate for purposes of subsection (a)(2) shall
14 be the number, expressed as a percentage, equal
15 to—

16 “(A) the average weekly number of individ-
17 uals described in subsection (a)(1) who partici-
18 pated in the program under this part during
19 such quarter, divided by

20 “(B) the average weekly number of such
21 individuals who were required under subsection
22 (a)(1) to participate in the program under the
23 part during such quarter.

24 “(2) NONCUSTODIAL PARENTS.—A State’s par-
25 ticipation rate for purposes of subsection (b)(2) shall

1 be the number, expressed as a percentage, equal
2 to—

3 “(A) the average weekly number of individ-
4 uals described in subsection (b)(1) who partici-
5 pated in the program under this part during
6 such quarter, divided by

7 “(B) the average weekly number of such
8 individuals who were required under subsection
9 (b)(1) to participate in the program under the
10 part during such quarter.

11 “(3) ADULT RECIPIENTS IN SINGLE-ADULT
12 FAMILIES.—A State’s participation rate for purposes
13 of subsection (c)(2) shall be the number, expressed
14 as a percentage, equal to—

15 “(A) the average weekly number of individ-
16 uals described in subsection (c)(1) who partici-
17 pated in the program under this part during
18 such quarter, divided by

19 “(B) the average weekly number of such
20 individuals who were required under subsection
21 (c)(1) to participate in the program under this
22 part.

23 “COMMUNITY WORK SERVICE PROGRAM

24 “SEC. 484. (a) IN GENERAL.—Each State with a
25 plan approved under part A shall establish a community
26 work service program.

1 “(b) PROGRAM DESCRIBED.—An individual partici-
2 pating in a State community work service program shall
3 work for a public or nonprofit private sector organization
4 performing such tasks as determined appropriate by such
5 organization.

6 “(c) ENCOURAGEMENT TO PROVIDE CHILD CARE
7 SERVICES.—An individual participating in a State com-
8 munity work service program may satisfy the applicable
9 participation requirement under subsection (c)(1)(A) of
10 section 483 if such individual provides child care services
11 to other individuals participating in the program in the
12 manner, and for the period of time each week, determined
13 appropriate by the State.

14 “(d) MODIFICATION TO PAYMENT SCHEDULE FOR
15 PARTICIPANTS.—Any payments of aid under part A or the
16 Food Stamp Act of 1977 to the family of an individual
17 participating in a State community work service program
18 shall be made on a biweekly basis.

19 “(e) BENEFITS BASED ON PERFORMANCE.—If an in-
20 dividual fails to meet the participation requirements im-
21 posed on such individual under section 483 with respect
22 to a State community work service program due to an un-
23 excused absence, the amount of aid under part A and the
24 Food Stamp Act of 1977 to be received by the family of
25 the individual participating in such program shall be re-

1 duced in proportion to the number of hours of
2 uncompleted work or job search under such program.

3 “BENEFITS TO WAGES PROGRAM

4 “SEC. 485. (a) IN GENERAL.—Each State with a
5 plan approved under part A shall establish a benefits to
6 wages program.

7 “(b) PROGRAM DESCRIBED.—Under a State benefits
8 to wages program, an individual shall work for a qualified
9 employer (as defined in subsection (d)) and the Secretary
10 shall pay a wage subsidy in the amount determined under
11 subsection (c) to such employer on behalf of such individ-
12 ual. Such wage subsidy shall be in lieu of all or part of
13 any benefits described in subsection (c) which the individ-
14 ual would otherwise be eligible to receive. The State bene-
15 fits to wages program shall be designed to place individ-
16 uals participating in the program in long-term
17 nonsubsidized employment.

18 “(c) AMOUNT OF WAGE SUBSIDY.—The amount of
19 the wage subsidy for an individual for a month is an
20 amount determined appropriate by the State which does
21 not exceed the sum of—

22 “(1) the monthly amount that would otherwise
23 be payable as aid to families with dependent children
24 to the family of such individual, and

1 “(2) the monthly cash value of the food stamp
2 benefits that would otherwise be available to such in-
3 dividual’s household,
4 determined as of the first day of the first full month of
5 the employment of such individual by a qualified employer.

6 “(d) QUALIFIED EMPLOYER.—

7 “(1) IN GENERAL.—For purposes of this sub-
8 section, an employer is qualified to receive a wage
9 subsidy under this subsection if—

10 “(A) the employer is a private entity;

11 “(B) the employer is approved by the State
12 to participate in its benefits to wages program;
13 and

14 “(C) gross wages (as defined in section
15 209 but without regard to any dollar limitation
16 contained in such section) received by an indi-
17 vidual participating in the benefits to wages
18 program for any month are not less than the
19 amount determined under paragraph (2).

20 “(2) WAGES BASED ON PERFORMANCE.—

21 “(A) IN GENERAL.—An employer shall pay
22 to an individual participating in the benefits to
23 wages program for any month an amount equal
24 to the product of—

25 “(i) the greater of—

1 “(I) the hourly wage subsidy
2 amount determined under subpara-
3 graph (B); or

4 “(II) the greater of the Federal
5 minimum wage or the applicable State
6 minimum wage; and

7 “(ii) the number of hours worked by
8 such individual during such month.

9 “(B) HOURLY WAGE SUBSIDY AMOUNT.—
10 The hourly wage subsidy amount determined
11 under this subparagraph with respect to an in-
12 dividual for any month is an amount equal to—

13 “(i) the amount of the wage subsidy
14 under subsection (c); divided by

15 “(ii) the number of hours the individ-
16 ual is required to work in the benefits to
17 wages program for the month.

18 “(3) SELECTION OF EMPLOYERS.—In selecting
19 employers under subparagraph (B) of paragraph (1),
20 the State shall give priority to those employers dem-
21 onstrating an ability to place individuals in long-
22 term nonsubsidized employment.

23 “(e) TREATMENT OF WAGES.—Under the State ben-
24 efits to wages program, wages paid to an individual by
25 a qualified employer shall be considered earned income for

1 purposes of any provision of law, except that such wages
2 shall not be taken into account in determining the eligi-
3 bility of such individual for the programs described in sub-
4 section (c) during such individual's participation in the
5 program.

6 “(f) USE OF FEDERAL FUNDS.—Notwithstanding
7 any other provision of law, for purposes of computing the
8 amount of the Federal payment to a State with respect
9 to any amount determined under subsection (c) with re-
10 spect to an individual, such amount shall be treated as
11 if paid to the individual under the applicable program.

12 “(g) LIMIT ON PARTICIPATION.—

13 “(1) IN GENERAL.—Except as provided in para-
14 graph (2), an individual's participation in a State
15 benefits to wages program shall be limited to 18
16 months.

17 “(2) STATE OPTION.—A State may reduce the
18 number of months referred to in paragraph (1) as
19 determined appropriate by the State.

20 “PENALTIES ON INDIVIDUALS WHO FAIL TO MEET
21 PARTICIPATION REQUIREMENT

22 “SEC. 486. (a) IN GENERAL.—Except as provided in
23 subsection (b) and section 484(e), the State shall have the
24 option to impose a penalty on any individual who fails to
25 adequately participate in the program consisting of—

1 “(1) a reduction in the amount of aid to fami-
2 lies with dependent children received by the individ-
3 ual’s family, as determined appropriate by the State;
4 or

5 “(2) a denial of eligibility for such aid to the
6 individual’s family on a temporary or permanent
7 basis, as determined appropriate by the State.

8 “(b) PENALTIES RELATING TO NONCUSTODIAL PAR-
9 ENTS.—

10 “(1) NO PENALTIES AGAINST FAMILY FOR NON-
11 COMPLIANCE OF NONCUSTODIAL PARENT.—No pen-
12 alty shall be imposed under this section or section
13 484(e) against a family receiving aid to families with
14 dependent children in the case of a noncustodial par-
15 ent’s failure to comply with section 483(a).

16 “(2) PENALTY FOR CERTAIN NONCUSTODIAL
17 PARENTS.—If an individual described in paragraph
18 (1) of section 483(a) knowingly and willfully fails to
19 participate in a State community work service pro-
20 gram in accordance with such section, such individ-
21 ual shall be subject to imprisonment in accordance
22 with State law.

23 “NONDISPLACEMENT OF WORKERS

24 “SEC. 487. No organization or entity participating in
25 a State community work service program or a State bene-
26 fits to wages program shall replace any employed worker

1 with an individual participating in the program under this
2 part. Such an individual may be placed in any position
3 offered by such organization or entity—

4 “(1) that is a new position;

5 “(2) that is a position that became available in
6 the normal course of conducting the business of the
7 organization or entity;

8 “(3) that involves performing work that would
9 otherwise be performed on an overtime basis by a
10 worker who is not an individual participating in the
11 program under this part; or

12 “(4) that is a position which became available
13 by shifting a current employee to an alternate posi-
14 tion.

15 (2) CONFORMING AMENDMENTS.—(A) Section
16 402(a) (42 U.S.C. 602(a)) is amended—

17 (i) by striking “and” at the end of para-
18 graph (44);

19 (ii) by striking the period at the end of
20 paragraph (45) and inserting “; and”; and

21 (iii) by inserting after paragraph (45) the
22 following new paragraph:

23 “(46) provide that the State agency shall pro-
24 vide assurances satisfactory to the Secretary that
25 the State has in effect laws providing for the impris-

1 onment of any individual who fails to comply with
2 section 483(b)(1) for a term determined appropriate
3 by the State.”.

4 (B) Section 16 of the Food Stamp Act of 1977
5 (7 U.S.C. 2025) is amended by adding at the end
6 the following new subsection:

7 “(l) If a State agency of a State informs the Sec-
8 retary that an individual who is participating in a benefits
9 to wages program under the welfare and dependency re-
10 duction program carried out under part F of title IV of
11 the Social Security Act is a member of a household that
12 participates in the food stamp program—

13 “(1) the Secretary shall pay to the State an
14 amount equal to the value of the food stamp benefits
15 the household is otherwise eligible to receive under
16 this Act; and

17 “(2) the State shall expend the amount in ac-
18 cordance with such part rather than for food stamp
19 benefits the household would receive but for the op-
20 eration of this subsection.”.

21 (c) PAYMENTS TO STATES FOR WELFARE AND DE-
22 PENDENCY REDUCTION PROGRAMS.—

23 (1) IN GENERAL.—Subsection (k) of section
24 403 (42 U.S.C. 603) is amended to read as follows:

1 “(k)(1) For purposes of conducting its workfare and
2 dependency reduction program under part F, a State shall
3 receive payments for a calendar quarter in an amount
4 equal to the sum of—

5 “(A) the product of—

6 “(i) the applicable dollar amount under
7 paragraph (2)(A), and

8 “(ii) the average weekly number of individ-
9 uals who are unemployed parents described in
10 section 483(a)(1) who participated in the pro-
11 gram under part F during such quarter;

12 “(B) the product of—

13 “(i) the applicable dollar amount under
14 paragraph (2)(A), and

15 “(ii) the average weekly number of individ-
16 uals who are noncustodial parents described in
17 section 483(b)(1) who participated in the pro-
18 gram under part F during such quarter; and

19 “(C) the product of—

20 “(i) the applicable dollar amount under
21 paragraph (2)(B), and

22 “(ii) the average weekly number of individ-
23 uals who are adult recipients of aid to families
24 with dependent children in single-adult families
25 described in section 483(c)(1) who participated

1 in the program under part F during such quar-
2 ter.

3 “(2)(A) For purposes of subparagraphs (A) and (B)
4 of paragraph (1), the applicable dollar amount is—

5 “(i) for fiscal year 1995, \$250; and

6 “(ii) for fiscal year 1996 and succeeding fiscal
7 years, the amount determined under this subpara-
8 graph for the preceding fiscal year updated by the
9 percentage change in the consumer price index for
10 all urban consumers (United States city average)
11 during such preceding fiscal year.

12 “(B) For purposes of subparagraph (C) of paragraph
13 (1), the applicable dollar amount is—

14 “(i) for fiscal year 1995, \$625; and

15 “(ii) for fiscal year 1996 and succeeding fiscal
16 years, the amount determined under this clause for
17 the preceding fiscal year updated by the percentage
18 change in the consumer price index for all urban
19 consumers (United States city average) during such
20 preceding fiscal year.”.

21 (2) CONFORMING AMENDMENT.—Section 403
22 (42 U.S.C. 603) is amended by striking subsection
23 (l).

24 (d) ADJUSTMENTS TO MATCHING PERCENTAGE FOR
25 AFDC ADMINISTRATIVE COSTS.—

1 (1) IN GENERAL.—Section 403(a)(3) (42
2 U.S.C. 603(a)(3)) is amended by striking “50 per-
3 cent” and inserting “the applicable percentage for
4 such quarter (as determined under subsection (o))”.

5 (2) APPLICABLE PERCENTAGE.—Section 403
6 (42 U.S.C. 603) is amended by adding at the end
7 the following new subsection:

8 “(o)(1) The applicable percentage determined under
9 this subsection for a quarter is a percentage equal to the
10 average of the percentages determined under paragraph
11 (2) for each category of individuals described in paragraph
12 (3).

13 “(2) The percentage determined under this para-
14 graph for a category of individuals described in paragraph
15 (3) for a quarter is—

16 “(A) 50 percent if the average weekly number
17 of individuals in the category who actually partici-
18 pate in the State’s workfare and dependency reduc-
19 tion program under part F during the quarter ex-
20 ceeds 99 percent of the average weekly number of
21 individuals in the category required to participate in
22 such program in accordance with the applicable
23 State participation rate requirement for such cat-
24 egory under section 483;

1 “(B) 40 percent, if the average weekly number
2 of individuals in the category who actually partici-
3 pate in such program for a quarter is at least 90
4 percent but less than 100 percent of the average
5 weekly number of individuals in the category re-
6 quired to participate in such program in accordance
7 with the applicable State participation rate require-
8 ment for such category under section 483;

9 “(C) 25 percent, if the average weekly number
10 of individuals in the category who actually partici-
11 pate in such program for a quarter is at least 70
12 percent but less than 90 percent of the average
13 weekly number of individuals in the category re-
14 quired to participate in such program in accordance
15 with the applicable State participation rate require-
16 ment for such category under section 483; and

17 “(D) 0 percent, if the average weekly number
18 of individuals in the category who actually partici-
19 pate in such program for a quarter is less than 70
20 percent of the average weekly number of individuals
21 in the category required to participate in such pro-
22 gram in accordance with the applicable State partici-
23 pation rate requirement for such category under sec-
24 tion 483.

1 “(3) The categories of individuals described in this
2 paragraph are the following:

3 “(A) Individuals who are unemployed parents
4 described in section 483(a)(1).

5 “(B) Individuals who are noncustodial parents
6 described in section 483(b)(1).

7 “(C) Individuals who are adult recipients of aid
8 to families with dependent children described in sec-
9 tion 483(c)(1).”.

10 (e) EDUCATIONAL ACTIVITIES FOR CUSTODIAL PAR-
11 ENTS UNDER 19.—Section 402(a) (42 U.S.C. 602(a)), as
12 amended by subsection (b)(2), is amended—

13 (1) by striking “and” at the end of paragraph
14 (45);

15 (2) by striking the period at the end of para-
16 graph (46) and inserting “; and”; and

17 (3) by inserting after paragraph (46) the fol-
18 lowing new paragraph:

19 “(47) provide that—

20 “(A) each custodial parent receiving aid
21 under the plan who has not attained 19 years
22 of age and has not successfully completed a
23 high-school education (or its equivalent) shall
24 participate in an educational activity; and

25 “(B) the State agency may—

1 “(i) require a parent described in sub-
2 paragraph (A) to participate in educational
3 activities directed toward the attainment of
4 a high-school diploma or its equivalent on
5 a full-time (as defined by the educational
6 provider) basis; or

7 “(ii) require a parent described in
8 subparagraph (A) to participate in training
9 or work activities (in lieu of the edu-
10 cational activities under such subpara-
11 graph) if such parent fails to make good
12 progress in successfully completing such
13 educational activities or if it is determined
14 (prior to any assignment of the individual
15 to such educational activities) pursuant to
16 an educational assessment that participa-
17 tion in such educational activities is inap-
18 propriate for such parent.”.

19 (f) AMENDMENTS REGARDING EARNED INCOME TAX
20 CREDIT.—

21 (1) IN GENERAL.—Subsection (e) of section
22 3507 of the Internal Revenue Code of 1986 (relating
23 to earned income eligibility certificates) is amended
24 by adding at the end the following new paragraph:

1 “(6) SPECIAL RULE WITH RESPECT TO CER-
2 TAIN EMPLOYEES.—An employer shall obtain an
3 earned income eligibility certificate from each em-
4 ployee who is employed by such employer under the
5 benefits to wages program under section 485 of the
6 Social Security Act.”.

7 (2) EFFECTIVE DATE.—The amendment made
8 by paragraph (1) shall apply to taxable years begin-
9 ning after December 31, 1994.

10 **SEC. 102. WORK REQUIREMENT FOR ABLE-BODIED NON-**
11 **PARENTS IN FOOD STAMP PROGRAM.**

12 (a) IN GENERAL.—Section 6 of the Food Stamp Act
13 of 1977 (7 U.S.C. 2015) is amended by adding at the end
14 the following new subsection:

15 “(i)(1) Except as otherwise provided in this sub-
16 section, no individual who is a member of a household that
17 is otherwise eligible to receive food stamps shall be eligible
18 to receive food stamps as a member of that or any other
19 household if the individual has not performed at least 32
20 hours of work on behalf of a State or a political subdivi-
21 sion of a State, through a program established by the
22 State or political subdivision, during the month preceding
23 the month of an allotment.

24 “(2) A household member shall be exempt from the
25 requirements of paragraph (1) if the member is—

1 “(A) a parent residing with a dependent child
2 under 18 years of age;

3 “(B) a member of a household with responsibil-
4 ity for the care of an incapacitated person;

5 “(C) mentally or physically unfit;

6 “(D) under 18 years of age; or

7 “(E) 63 years of age or older.

8 “(3) No State or political subdivision of a State par-
9 ticipating in a program established under this subsection
10 shall replace any employed worker with an individual par-
11 ticipating in the program. Such an individual may be
12 placed in any position offered by the State or political sub-
13 division that—

14 “(A) is a new position;

15 “(B) is a position that became available in the
16 normal course of conducting the business of the
17 State or political subdivision;

18 “(C) involves performing work that would oth-
19 erwise be performed on an overtime basis by a work-
20 er who is not an individual participating in the pro-
21 gram established under this subsection; or

22 “(D) that is a position which became available
23 by shifting a current employee to an alternate posi-
24 tion.

1 “(4)(A) The Secretary shall make a monthly payment
2 to each State and political subdivision of a State that oper-
3 ates a program established under this subsection for the
4 month preceding the month of an allotment.

5 “(B) The amount of a payment that is made to a
6 State or political subdivision under subparagraph (A) shall
7 equal the product obtained by multiplying—

8 “(i) \$20 (as adjusted under subparagraph (C));
9 times

10 “(ii) the number of individuals who performed
11 at least 32 hours of work on behalf of the State or
12 political subdivision, through a program established
13 by the State or political subdivision under this sub-
14 section, during the month preceding the month of
15 the allotment.

16 “(C) The Secretary shall adjust the amount referred
17 to in subparagraph (B)(i) on October 1, 1995, and each
18 October 1 thereafter, to reflect changes in the Consumer
19 Price Index for All Urban Consumers published by the
20 Bureau of Labor Statistics, as appropriately adjusted by
21 the Bureau of Labor Statistics after consultation with the
22 Secretary concerning the application of the Index to this
23 paragraph, for the 12 months ending the preceding June
24 30.”.

25 (b) CONFORMING AMENDMENTS.—

1 (1) Section 6(d)(4)(M)(ii) of the Food Stamp
2 Act of 1977 (7 U.S.C. 2015(d)(4)(M)(ii)) is amend-
3 ed by striking “section 16 (a), (c), and (h)” and in-
4 serting “subsections (a) and (c) of section 16”.

5 (2) Section 16 of such Act (7 U.S.C. 2025) is
6 amended—

7 (A) by striking subsection (h); and

8 (B) by redesignating subsections (i) and (j)
9 as subsections (h) and (i), respectively.

10 (3) Section 20 of such Act (7 U.S.C. 2029) is
11 amended by striking subsection (g).

12 (4) Section 21 of such Act (7 U.S.C. 2030) is
13 amended—

14 (A) in subsection (b)(4)(B)—

15 (i) by striking “under—” and all that
16 follows through “subsections (a)” in clause
17 (i) and inserting “under subsections (a)”;
18 and

19 (ii) by striking “program; and” and
20 all that follows through “except that” and
21 inserting “program, except that”; and

22 (B) in subsection (c)(2)(B), by striking
23 “subsections (a), (g), and (h) of section 16”
24 and inserting “subsections (a) and (g) of sec-
25 tion 16”.

1 (5) Section 22(d)(1)(B)(ii) of such Act (7
2 U.S.C. 2031(d)(1)(B)(ii)) is amended by striking
3 “subsections (a), (g), (h)(2), and (h)(3) of section
4 16” and inserting “subsections (a) and (g) of section
5 16”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall become effective 180 days after the date
8 of enactment of this Act.

9 **SEC. 103. REQUIREMENT THAT CERTAIN AFDC APPLICANTS**
10 **CONDUCT JOB SEARCH ACTIVITIES.**

11 (a) DELAY IN BENEFIT FOR CERTAIN FAMILIES.—
12 Section 402(a) (42 U.S.C. 602(a)), as amended by section
13 101 (b)(2)(A) and (e), is amended—

14 (1) by striking “and” at the end of paragraph
15 (46);

16 (2) by striking the period at the end of para-
17 graph (47) and inserting “; and”; and

18 (3) by inserting after paragraph (47) the fol-
19 lowing new paragraph:

20 “(48) provide that if a family is applying for
21 aid under the plan and such family—

22 “(A) has sufficient liquid assets to meet
23 the basic needs of the family for a 1-month pe-
24 riod (as determined by the State); and

1 “(B) does not include any children under
2 age 5;
3 such family shall not receive such aid until a mem-
4 ber of the family who has attained age 18 has con-
5 ducted job search activities determined appropriate
6 by the State for a 1-month period.”.

7 (b) JOB SEARCH REQUIREMENT FOR CERTAIN INDIVIDUALS.—Section 402(a) (42 U.S.C. 602(a)), as amended by section 101 (b)(2)(A) and (e) and subsection (a),
10 is amended—

11 (1) by striking “and” at the end of paragraph
12 (47);

13 (2) by striking the period at the end of paragraph (48) and inserting “; and”; and

15 (3) by inserting after paragraph (48) the following new paragraph:

17 “(49) provide that if a family applying for aid
18 under the plan—

19 “(A) is not described in paragraph (48),
20 and

21 “(B) does not include any children under
22 age 5,
23 a member of the family who has attained age 18
24 shall conduct job search activities determined appro-

1 prate by the State during first 1-month period for
2 which the family receives such aid.”.

3 **SEC. 104. EFFECTIVE DATE.**

4 Except as otherwise specifically provided, the amend-
5 ments made by this title shall take effect on October 1,
6 1994.

7 **TITLE II—PROMOTION OF MAR-**
8 **RIAGE AND SOCIAL RESPON-**
9 **SIBILITY**

10 **Subtitle A—Welfare Benefits**

11 **SEC. 201. PROMOTION OF FAMILIES.**

12 (a) SENSE OF THE CONGRESS.—It is the sense of the
13 Congress that—

14 (1) marriage is the foundation of a successful
15 society;

16 (2) marriage is an essential social institution
17 which promotes the interests of children and society
18 at large;

19 (3) the negative consequences of an out-of-wed-
20 lock birth on the child, the mother, and society are
21 well documented as follows:

22 (A) the illegitimacy rate among black
23 Americans was 26 percent in 1965, but today
24 the rate is 68 percent and climbing;

1 (B) the illegitimacy rate among white
2 Americans has risen tenfold, from 2.29 percent
3 in 1960 to 22 percent today;

4 (C) the total of all out-of-wedlock births
5 between 1970 and 1991 has risen from 10 per-
6 cent to 30 percent and if the current trend con-
7 tinues, 50 percent of all births by the year 2015
8 will be out-of-wedlock;

9 (D) 82 percent of illegitimate births among
10 whites are to women with a high school edu-
11 cation or less;

12 (E) the one-parent family is six times more
13 likely to be poor than the two-parent family;

14 (F) children born into families receiving
15 welfare assistance are three times more likely to
16 be on welfare when they reach adulthood;

17 (G) teenage single parent mothering is the
18 single biggest contributor to low birth weight
19 babies;

20 (H) children born out-of-wedlock are more
21 likely to experience low verbal cognitive attain-
22 ment, child abuse, and neglect;

23 (I) young people from single parent or
24 stepparent families are two to three times more

1 likely to have emotional or behavioral problems
2 than those from intact families;

3 (J) young white women who were raised in
4 a single parent family are 164 percent more
5 likely to have children out-of-wedlock, 111 per-
6 cent more likely to become parents as teen-
7 agers, and 92 percent more likely to have their
8 marriages end in divorce;

9 (K) the younger the single parent mother,
10 the less likely she is to finish high school;

11 (L) young women who have children before
12 finishing high school are more likely to receive
13 welfare assistance for a longer period of time;

14 (M) between 1985 and 1990, the public
15 cost of births to teenage mothers under the aid
16 to families with dependent children program,
17 the food stamp program, and the medicaid pro-
18 gram has been estimated at \$120 billion;

19 (N) the absence of a father in the life of
20 a child has a negative effect on school perform-
21 ance and peer adjustment;

22 (O) the likelihood that a young black man
23 will engage in criminal activities doubles if he
24 is raised without a father and triples if he lives

1 in a neighborhood with a high concentration of
2 single parent families; and

3 (P) the greater the incidence of single par-
4 ent families in a neighborhood, the higher the
5 incidence of violent crime and burglary; and

6 (4) in light of this demonstration of the crisis
7 in our Nation, the reduction of out-of-wedlock births
8 is an important government interest and the policy
9 contained in provisions of this title address the cri-
10 sis.

11 (b) ELIMINATION OF AFDC BENEFITS TO YOUNG
12 UNWED PARENTS.—

13 (1) IN GENERAL.—

14 (A) STATE PLAN AMENDMENT.—Section
15 402(a) (42 U.S.C. 602(a)), as amended by sec-
16 tions 101 (b)(2)(A) and (e) and 103 (a) and
17 (b), is amended—

18 (i) by striking “and” at the end of
19 paragraph (48);

20 (ii) by striking the period at the end
21 of paragraph (49) and inserting “; and”;
22 and

23 (iii) by inserting after paragraph (49)
24 the following new paragraph:

1 “(50)(A) except as provided in subparagraph
2 (B), if a child is born to an individual who is unmar-
3 ried and who has not attained age 21 (or another
4 age that exceeds 21, as determined appropriate by
5 the State), aid to families with dependent children
6 under the State plan shall not be payable with re-
7 spect to the child and the parents of the child; and

8 “(B) provide that subparagraph (A) shall not
9 apply—

10 “(i) if, after the birth of the child—

11 “(I) the custodian of the child marries
12 an individual who assumes lawful paternity
13 or permanent legal guardianship and fi-
14 nancial responsibility for the child; or

15 “(II) the child is legally adopted;

16 “(ii) if the parents of the dependent child
17 were married during the 10-month period pre-
18 ceding the birth of the child and 1 parent died
19 prior to the birth of the child; or

20 “(iii) with respect to the child after the
21 child has attained age 18.”.

22 (B) EFFECTIVE DATE.—The amendments
23 made by subparagraph (A) shall apply to chil-
24 dren born on or after the date that is 1 year
25 after the date of the enactment of this Act.

1 (2) INCREASE IN APPLICABLE AGE.—

2 (A) IN GENERAL.—Section 402(a)(50)(A)
3 (42 U.S.C. 602(a)(50)(A)), as added by para-
4 graph (1), is amended by striking “21” each
5 place it appears and inserting “26”.

6 (B) EFFECTIVE DATE.—The amendments
7 made by subparagraph (A) shall apply to chil-
8 dren born on or after the date that is 4 years
9 after the date of the enactment of this Act.

10 (c) FOOD STAMPS.—

11 (1) IN GENERAL.—

12 (A) ELIMINATION OF BENEFIT.—Section 6
13 of the Food Stamp Act of 1977 (7 U.S.C.
14 2015), as amended by section 102(a), is amend-
15 ed by adding at the end the following new sub-
16 section:

17 “(j)(1) Except as provided in paragraph (2), if a child
18 is born to an individual who is unmarried and who has
19 not attained age 21 (or another age that exceeds 21, as
20 determined appropriate by the State), the child and the
21 parents of the child shall be ineligible to receive food
22 stamps.

23 “(2) Paragraph (1) shall not apply—

24 “(A) if after the birth of the child—

1 “(i) the custodian of the child marries an
2 individual who assumes lawful paternity or per-
3 manent legal guardianship and financial respon-
4 sibility for the child; or

5 “(ii) the child is legally adopted;

6 “(B) if the parents of the child were married
7 during the 10-month period preceding the birth of
8 the child and 1 parent died prior to the birth of the
9 child; or

10 “(C) with respect to the child after the child
11 has attained age 18.”.

12 (B) CONFORMING AMENDMENT.—Para-
13 graph (1) of the second sentence of section 3(o)
14 of such Act (7 U.S.C. 2012(o)) is amended by
15 inserting after the comma at the end the follow-
16 ing: “except as provided in subsection (j) of sec-
17 tion 6,”.

18 (C) EFFECTIVE DATE.—The amendments
19 made by this paragraph shall apply to children
20 born on or after the date that is 1 year after
21 the date of enactment of this Act.

22 (2) INCREASE IN APPLICABLE AGE.—

23 (A) IN GENERAL.—Section 6(j)(1) of the
24 Food Stamp Act of 1977 (as added by para-

1 graph (1)) is amended by striking “21” each
2 place it appears and inserting “26”.

3 (B) EFFECTIVE DATE.—The amendment
4 made by this paragraph shall apply to children
5 born on or after the date that is 4 years after
6 the date of enactment of this Act.

7 (d) HOUSING PROGRAMS.—

8 (1) IN GENERAL.—

9 (A) PROMOTION OF FAMILIES.—The Unit-
10 ed States Housing Act of 1937 (42 U.S.C.
11 1437 et seq.) is amended—

12 (i) in section 6, by adding at the end
13 the following new subsection:

14 “(q) PROMOTION OF FAMILIES.—

15 “(1) IN GENERAL.—Each contract described in
16 subsection (a) shall provide that, if a child is born
17 to an individual who is unmarried and who has not
18 attained age 21, neither the child nor the parents of
19 the child shall be eligible to receive assistance under
20 this Act.

21 “(2) EXCEPTION.—Paragraph (1) shall not
22 apply—

23 “(A) if after the birth of the child—

24 “(i) the custodian of the child marries
25 an individual who assumes lawful paternity

1 or permanent legal guardianship and fi-
2 nancial responsibility for the child; or

3 “(ii) the child is legally adopted;

4 “(B) if the parents of the child were mar-
5 ried during the 10-month period preceding the
6 birth of the child and 1 parent died prior to the
7 birth of the child; or

8 “(C) with respect to the child after the
9 child has attained age 18.”; and

10 (ii) in section 8, by adding at the end
11 the following new subsection:

12 “(z) PROMOTION OF FAMILIES.—

13 “(1) IN GENERAL.—Each contract to make as-
14 sistance payments described in subsection (a) shall
15 provide that, if a child is born to an individual who
16 is unmarried and who has not attained age 21, nei-
17 ther the child nor the parents of the child shall be
18 eligible to receive assistance under this section.

19 “(2) EXCEPTION.—Paragraph (1) shall not
20 apply—

21 “(A) if after the birth of the child—

22 “(i) the custodian of the child marries
23 an individual who assumes lawful paternity
24 or permanent legal guardianship and fi-
25 nancial responsibility for the child; or

1 “(ii) the child is legally adopted;

2 “(B) if the parents of the child were mar-
3 ried during the 10-month period preceding the
4 birth of the child and 1 parent died prior to the
5 birth of the child; or

6 “(C) with respect to the child after the
7 child has attained age 18.”.

8 (B) EFFECTIVE DATE.—The amendments
9 made by subparagraph (A) shall apply to chil-
10 dren born on or after the date that is 1 year
11 after the date of the enactment of this Act.

12 (2) AUTOMATIC INCREASE IN APPLICABLE
13 AGE.—

14 (A) IN GENERAL.—Section 6(q) of the
15 United States Housing Act of 1937 (42 U.S.C.
16 1437d(q)), as added by paragraph (1)(A)(i), is
17 amended by striking “21” and inserting “26”.

18 (B) IN GENERAL.—Section 8(z) of the
19 United States Housing Act of 1937 (42 U.S.C.
20 1437f(z)), as added by paragraph (1)(A)(ii), is
21 amended by striking “21” and inserting “26”.

22 (C) EFFECTIVE DATE.—The amendments
23 made by this paragraph shall apply to children
24 born on or after the date that is 4 years after
25 the date of the enactment of this Act.

1 (3) DISCRETIONARY INCREASE IN APPLICABLE
2 AGE.—Notwithstanding any other provision of law,
3 beginning on the effective date of the amendments
4 made by paragraph (1)(A), the Governor of each
5 State shall have the option to increase the minimum
6 age for assistance set forth in section 6(q) or 8(z)
7 of United States Housing Act of 1937, as added by
8 paragraph (1)(A), for individuals residing in the
9 State.

10 **SEC. 202. BENEFIT PROVISIONS REGARDING ADDITIONAL**
11 **CHILDREN.**

12 (a) AFDC.—

13 (1) IN GENERAL.—Section 402(a) (42 U.S.C.
14 602(a)), as amended by sections 101 (b)(2)(A) and
15 (e), 103(a) and (b), and 201(b), is amended—

16 (A) by striking “and” at the end of para-
17 graph (49);

18 (B) by striking the period at the end of
19 paragraph (50) and inserting “; and”; and

20 (C) by inserting after paragraph (50) the
21 following new paragraph:

22 “(51)(A) provide that aid to families with de-
23 pendent children under the State plan shall not be
24 payable with respect to a child if the custodial par-

1 ent of such child was, at the time of the child's
2 birth—

3 “(i) a recipient of aid under the State
4 plan; or

5 “(ii) an individual who received such aid
6 anytime during the 10-month period ending
7 with the birth of the child; and

8 “(B) provide that subparagraph (A) shall not
9 apply with respect to the child after the child has at-
10 tained age 18.”.

11 (2) EFFECTIVE DATE.—The amendments made
12 by paragraph (1) shall apply to children born on or
13 after the date that is 1 year after the date of the
14 enactment of this Act.

15 (b) FOOD STAMPS.—

16 (1) IN GENERAL.—Section 6 of the Food
17 Stamp Act of 1977 (7 U.S.C. 2015), as amended by
18 section 102(a) and 201(c), is amended by adding at
19 the end the following new subsection:

20 “(k) If a child is born to a parent that is a recipient
21 of aid to families with dependent children under a State
22 plan under section 402 of the Social Security Act, or a
23 parent who received such aid anytime during the 10-
24 month period ending with the birth of the child, the child

1 shall be ineligible to participate in the food stamp program
2 until the child attains age 18.”.

3 (2) CONFORMING AMENDMENT.—Paragraph (1)
4 of the second sentence of section 3(o) of such Act
5 (7 U.S.C. 2012(o)), as amended by section
6 201(c)(1)(B), is amended by striking “subsection
7 (j)” and inserting “subsections (j) and (k)”.

8 (3) EFFECTIVE DATE.—The amendment made
9 by paragraph (1) shall apply to children born on or
10 after the date that is 1 year after the date of enact-
11 ment of this Act.

12 **SEC. 203. PROVISIONS RELATING TO PATERNITY ESTAB-**
13 **LISHMENT.**

14 (a) IN GENERAL.—Section 402(a) (42 U.S.C.
15 602(a)), as amended by sections 101(b)(2)(A) and (e),
16 103 (a) and (b), 201(b), and 202(a), is amended—

17 (1) by striking “and” at the end of paragraph
18 (50);

19 (2) by striking the period at the end of para-
20 graph (51) and inserting “; and”; and

21 (3) by inserting after paragraph (51) the fol-
22 lowing new paragraph:

23 “(52) provide that—

24 “(A) except as provided in subparagraphs

25 (B) and (C), if a family applying for aid under

1 this part includes a child who has not attained
2 age 18 and who was born on or after January
3 1, 1993, with respect to whom paternity has
4 not been established, aid to families with de-
5 pendent children paid to such family under the
6 State plan for any month shall be reduced—

7 “(i) by the amount of aid allocable to
8 such child (until the child attains age 18);
9 and

10 “(ii) if the parent or caretaker relative
11 of such child is not the parent or caretaker
12 relative of another child for whom aid is
13 available, by the amount of aid allocable to
14 such parent or caretaker relative;

15 “(B) notwithstanding subparagraph (A),
16 aid under the State plan shall be available with
17 respect to a dependent child who is up to 4
18 months of age for whom paternity has not been
19 established if the parent or caretaker relative of
20 the child provides the name, address, and such
21 other identifying information as the State may
22 require of an individual who may be the father
23 of the child; and

24 “(C) the State may exempt up to 10 per-
25 cent of all families applying for aid under this

1 part which include a child who was born on or
2 after January 1, 1993, and with respect to
3 whom paternity has not been established, from
4 the reduction imposed under subparagraph
5 (A).”.

6 (b) PROVISION OF AID IN VIOLATION OF PATERNITY
7 ESTABLISHMENT REQUIREMENTS.—Section 404 (42
8 U.S.C. 604) is amended by adding at the end the following
9 new subsection:

10 “(e) If a State expends funds for aid to families with
11 dependent children in violation of the requirements of
12 paragraph (51) in any fiscal year but such expenditures
13 do not constitute a failure to substantially to comply with
14 such requirements, the Secretary shall reduce the amount
15 to be paid to such State under this part for the succeeding
16 fiscal year by an amount equal to the amount of funds
17 misused by such State.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply with respect to individuals applying
20 for aid to families with dependent children under part A
21 of title IV of the Social Security Act (42 U.S.C. 601 et
22 seq.) in calendar quarters beginning on or after the date
23 that is 60 days after the date of the enactment of this
24 Act.

1 **Subtitle B—Grants for Assistance**
 2 **to Children Born Out-Of-Wedlock**

3 **SEC. 211. GRANTS TO STATES.**

4 Title IV (42 U.S.C. 601 et seq.) is amended by insert-
 5 ing after part B the following:

6 “PART C—GRANTS FOR ASSISTANCE TO CHILDREN
 7 BORN OUT-OF-WEDLOCK

8 “PURPOSE

9 “SEC. 440. (a) IN GENERAL.—The purpose of this
 10 part is to grant a qualified State the flexibility and re-
 11 sources necessary to provide such services and activities
 12 as the State deems appropriate to discourage out-of-wed-
 13 lock births and care for children born out-of-wedlock.

14 “(b) QUALIFIED STATE DEFINED.—For purposes of
 15 this part, the term ‘qualified State’ means a State which—

16 “(1) has a plan approved under section 402,
 17 and

18 “(2) has certified to the Secretary that—

19 “(A) the payments made to the State
 20 under this part will be used by the State in ac-
 21 cordance with this part, and

22 “(B) not less frequently than every 2
 23 years, the State will audit the expenditures of
 24 the amounts paid to the State under this part.

1 “USE OF GRANT FUNDS

2 “SEC. 441. (a) IN GENERAL.—Except as provided in
3 subsection (b), each qualified State that receives grant
4 funds under this part may use such funds—

5 “(1) to establish or expand programs to reduce
6 out-of-wedlock pregnancies,

7 “(2) to promote adoption,

8 “(3) to establish and operate orphanages,

9 “(4) to establish and operate closely supervised
10 residential group homes for unwed mothers, or

11 “(5) in any manner that the State deems ap-
12 propriate to accomplish the purpose of this part.

13 “(b) PROHIBITIONS ON USE OF FUNDS.—

14 “(1) NO INDIVIDUAL PAYMENTS.—A qualified
15 State that receives grant funds under this part shall
16 not, directly or indirectly, use such funds for provid-
17 ing payments to an individual who is the parent of
18 a child born out-of-wedlock and such child if the
19 parent and the child live—

20 “(A) in a household headed by such par-
21 ent,

22 “(B) in the household of a relative, or

23 “(C) in any other conventional residential
24 or community setting.

1 “(2) NO FUNDS USED FOR ABORTION.—No
 2 grant funds received by a qualified State under this
 3 part shall be used for making abortion available as
 4 a method of family planning or for any counseling
 5 or advising with respect to abortion.

6 “(c) PENALTY FOR MISUSE OF FUNDS.—If a quali-
 7 fied State fails to comply with subsection (b) in any fiscal
 8 year, the Secretary shall reduce the amount to be paid
 9 to such State under this part for the succeeding fiscal year
 10 by an amount equal to the amount of funds misused by
 11 such State.

12 “AMOUNT OF GRANT

13 “SEC. 442. (a) IN GENERAL.—The Secretary shall
 14 make a payment to each qualified State for fiscal years
 15 1995 through 1999 in an amount equal to the Federal
 16 savings amount for the State determined under subsection
 17 (b)(1) for the applicable fiscal year.

18 “(b) DETERMINATION OF GRANT AMOUNT.—

19 “(1) IN GENERAL.—The Federal savings
 20 amount for a State for a fiscal year is an amount
 21 that is equal to the product of—

22 “(A) the State per capita amount for the
 23 fiscal year (as determined under paragraph
 24 (2)); and

25 “(B) the State’s excluded population (as
 26 determined under paragraph (3)).

1 “(2) PER CAPITA AMOUNT.—The State per cap-
2 ita amount for a fiscal year determined under this
3 paragraph is the sum of—

4 “(A) the average per capita amount that
5 the Secretary estimates the State will receive
6 under section 403 of the Social Security Act
7 during the fiscal year for providing aid to fami-
8 lies with dependent children to individuals eligi-
9 ble to receive such aid; and

10 “(B) the average per capita amount that
11 the Secretary estimates individuals who are re-
12 ceiving aid to families with dependent children
13 in the State will receive under the food stamp
14 program under the Food Stamp Act of 1977
15 during the fiscal year.

16 “(3) STATE EXCLUDED POPULATION.—

17 “(A) IN GENERAL.—The Congressional
18 Budget Office shall determine an excluded pop-
19 ulation for each qualified State for each fiscal
20 year in accordance with this paragraph.

21 “(B) DETERMINATION.—A State’s ex-
22 cluded population for a fiscal year shall equal
23 the sum of—

1 “(i) the number of excluded children
2 for the State for the fiscal year as deter-
3 mined under subparagraph (C);

4 “(ii) the number of excluded parents
5 for the State for the fiscal year as deter-
6 mined under subparagraph (D); and

7 “(iii) the number of individuals in the
8 phase-in population for the State for the
9 fiscal year as determined under subpara-
10 graph (E).

11 “(C) EXCLUDED CHILDREN.—

12 “(i) IN GENERAL.—The number of ex-
13 cluded children for a State for a fiscal year
14 shall be—

15 “(I) for fiscal year 1995, zero;

16 “(II) for fiscal year 1996, 50
17 percent of the monthly average num-
18 ber of base year excluded children (as
19 defined in clause (ii)) who were under
20 age 1 during the base year (as defined
21 in clause (iii));

22 “(III) for fiscal year 1997, the
23 sum of—

24 “(aa) the monthly average
25 number of base year excluded

1 children who were under age 1
2 during the base year; and

3 “(bb) 50 percent of the
4 monthly average number of base
5 year excluded children who were
6 over age 1 and under age 2 dur-
7 ing the base year;

8 “(IV) for fiscal year 1998, the
9 sum of—

10 “(aa) the monthly average
11 number of base year excluded
12 children who were under age 2
13 during the base year; and

14 “(bb) 50 percent of the
15 monthly average number of base
16 year excluded children who were
17 over age 2 and under age 3 dur-
18 ing the base year; and

19 “(V) for fiscal year 1999, the
20 sum of—

21 “(aa) the monthly average
22 number of base year excluded
23 children who were under age 3
24 during the base year; and

1 “(bb) 50 percent of the
2 monthly average number of base
3 year excluded children who were
4 over age 3 and under age 4 dur-
5 ing the base year.

6 “(ii) BASE YEAR EXCLUDED CHIL-
7 DREN.—The term ‘base year excluded chil-
8 dren’ means children who received aid
9 under the State’s plan during the base
10 year who would not have been eligible for
11 such aid if section 402(a)(50) (as in effect
12 during the applicable fiscal year) had been
13 in effect at the time such children were
14 born.

15 “(iii) BASE YEAR.—For purposes of
16 this part, the term ‘base year’ means—

17 “(I) 1993, if the Congressional
18 Budget Office is able to determine an
19 excluded population for each State for
20 each fiscal year that such a deter-
21 mination is required using data pro-
22 vided by the National Integrated
23 Quality Control System operated by
24 the Department of Health and

1 Human Services and other relevant
2 data sources, or

3 “(II) 1993, or another period de-
4 termined appropriate by the Sec-
5 retary, based on a survey conducted
6 or approved by the Secretary.

7 “(D) EXCLUDED PARENTS.—The number
8 of excluded parents for a State for a fiscal year
9 shall be the number of parents excluded in con-
10 nection with the exclusion of their children
11 under subparagraph (C).

12 “(E) PHASE-IN POPULATION ADJUSTED
13 FOR DATE OF ENACTMENT.—

14 “(i) FISCAL YEAR 1995.—For fiscal
15 year 1995, the phase-in population for a
16 State shall be the product of subclauses
17 (I), (II), and (III).

18 “(I) 4.17 percent.

19 “(II) The average monthly num-
20 ber of base year excluded children (as
21 defined in clause (ii) of subparagraph
22 (C)) in the State who were under age
23 1 during the base year (as defined in
24 clause (iii) of subparagraph (C)) and

1 the number of parents excluded in
2 connection with such children.

3 “(III) The number of months (in
4 whole or in part) by which the date of
5 the enactment of the Real Welfare Re-
6 form Act of 1994 precedes October 1,
7 1994.

8 “(ii) SUCCEEDING FISCAL YEARS.—
9 For fiscal year 1996 and succeeding fiscal
10 years, the phase-in population for a State
11 shall be the product of subclauses (I), (II),
12 (III), and (IV).

13 “(I) 4.17 percent.

14 “(II) The average monthly num-
15 ber of base year excluded children (as
16 defined in clause (ii) of subparagraph
17 (C)) in the State who were under age
18 1 during the base year (as defined in
19 clause (iii) of subparagraph (C)) and
20 the number of parents excluded in
21 connection with such children.

22 “(III) The number of months (in
23 whole or in part) by which the date of
24 the enactment of the Real Welfare Re-

1 form Act of 1994 precedes or succeeds
2 October 1, 1994.

3 “(IV)(aa) If the date of the en-
4 actment of the Real Welfare Reform
5 Act of 1994 precedes October 1,
6 1994, 1; or

7 “(bb) If the date of the enact-
8 ment of the Real Welfare Reform Act
9 of 1994 succeeds October 1, 1994,
10 -1.”.

11 **Subtitle C—Removal of Barriers to**
12 **Interethnic Adoption**

13 **SEC. 221. FINDINGS AND PURPOSE.**

14 (a) FINDINGS.—The Congress finds that—

15 (1) nearly 500,000 children are in foster care in
16 the United States;

17 (2) tens of thousands of children in foster care
18 are waiting for adoption;

19 (3) 2 years and 8 months is the median length
20 of time that children wait to be adopted;

21 (4) child welfare agencies should work to elimi-
22 nate racial, ethnic, and national origin discrimina-
23 tion and bias in adoption and foster care recruit-
24 ment, selection, and placement procedures; and

1 (5) active, creative, and diligent efforts are
2 needed to recruit parents, from every race and cul-
3 ture, for children needing foster care or adoptive
4 parents.

5 (b) PURPOSE.—The purpose of this subtitle is to de-
6 crease the length of time that children wait to be adopted
7 and to prevent discrimination in the placement of children
8 on the basis of race, color, or national origin.

9 **SEC. 222. MULTIETHNIC PLACEMENTS.**

10 (a) ACTIVITIES.—

11 (1) PROHIBITION.—An agency, or entity, that
12 receives Federal assistance and is involved in adop-
13 tion or foster care placements may not—

14 (A) categorically deny to any person the
15 opportunity to become an adoptive or a foster
16 parent, on the basis of the race, color, or na-
17 tional origin of the adoptive or foster parent, or
18 the child, involved; or

19 (B) delay or deny the placement of a child
20 for adoption or into foster care, or otherwise
21 discriminate in making a placement decision, on
22 the basis of the race, color, or national origin
23 of the adoptive or foster parent, or the child, in-
24 volved.

1 (2) PERMISSIBLE CONSIDERATION.—An agency
2 or entity to which paragraph (1) applies may con-
3 sider the race, color, or national origin of a child as
4 a factor in making a placement decision if such fac-
5 tor is relevant to the best interests of the child in-
6 volved and is considered in conjunction with other
7 factors.

8 (3) DEFINITION.—As used in this subsection,
9 the term “placement decision” means the decision to
10 place, or to delay or deny the placement of, a child
11 in a foster care or an adoptive home, and includes
12 the decision of the agency or entity involved to seek
13 the termination of birth parent rights or otherwise
14 make a child legally available for adoptive place-
15 ment.

16 (b) LIMITATION.—The Secretary of Health and
17 Human Services shall not provide placement and adminis-
18 trative funds under section 474(a)(3) of the Social Secu-
19 rity Act (42 U.S.C. 674(a)(3)) to an agency or entity de-
20 scribed in subsection (a) that is not in compliance with
21 subsection (a).

22 (c) EQUITABLE RELIEF.—Any individual who is ag-
23 grieved by an action in violation of subsection (a), taken
24 by an agency or entity described in subsection (a), shall

1 have the right to bring an action seeking relief in a United
2 States district court of appropriate jurisdiction.

3 (d) CONSTRUCTION.—Nothing in this section shall be
4 construed to affect the application of the Indian Child
5 Welfare Act of 1978 (25 U.S.C. 1901 et seq.).

6 **Subtitle D—Tax Credit for Certain**
7 **Low-Income Families**

8 **SEC. 231. ADDITIONAL EARNED INCOME CREDIT FOR MAR-**
9 **RIED INDIVIDUALS.**

10 (a) IN GENERAL.—Paragraph (1) of section 32(a) of
11 the Internal Revenue Code of 1986 (relating to earned in-
12 come credit) is amended to read as follows:

13 “(1) IN GENERAL.—There shall be allowed as a
14 credit against the tax imposed by this subtitle for
15 the taxable year an amount equal to the sum of—

16 “(A) in the case of an eligible individual,
17 an amount equal to the credit percentage of so
18 much of the taxpayer’s earned income for the
19 taxable year as does not exceed the earned in-
20 come amount, and

21 “(B) in the case of an eligible married in-
22 dividual, the applicable percentage of \$1,000.”.

23 (b) APPLICABLE PERCENTAGE.—Section 32(b) of the
24 Internal Revenue Code of 1986 (relating to percentages

1 and amounts) is amended by adding at the end the follow-
2 ing new paragraph:

3 “(3) APPLICABLE PERCENTAGE.—The applica-
4 ble percentage for any taxable year is equal to 100
5 percent reduced (but not below 0 percent) by 10 per-
6 centage points for each \$1,000 (or fraction thereof)
7 by which the taxpayer’s earned income for such tax-
8 able year exceeds \$16,000.”.

9 (c) ELIGIBLE MARRIED INDIVIDUALS.—Section
10 32(c) of the Internal Revenue Code of 1986 (relating to
11 definitions and special rules) is amended by adding at the
12 end the following new paragraph:

13 “(4) ELIGIBLE MARRIED INDIVIDUALS.—The
14 term ‘eligible married individual’ means an eligible
15 individual (determined without regard to paragraph
16 (1)(A)(ii))—

17 “(A) who is married (as defined in section
18 7703) and who has lived together with the indi-
19 vidual’s spouse at all times during such mar-
20 riage during the taxable year, and

21 “(B) has earned income for the taxable
22 year of at least \$8,500.”.

23 (d) CONFORMING AMENDMENTS.—

1 (1) Section 32(a)(2) of the Internal Revenue
2 Code of 1986 is amended by striking “paragraph
3 (1)” and inserting “paragraph (1)(A)”.

4 (2) Section 32(i) of such Code is amended to
5 read as follows:

6 “(i) INFLATION ADJUSTMENTS.—

7 “(1) IN GENERAL.—In the case of any taxable
8 year beginning after the applicable calendar year,
9 each dollar amount referred to in paragraph (2)(B)
10 shall be increased by an amount equal to—

11 “(A) such dollar amount, multiplied by

12 “(B) the cost-of-living adjustment deter-
13 mined under section 1(f)(3), for the calendar
14 year in which the taxable year begins, by sub-
15 stituting for ‘calendar year 1992’ in subpara-
16 graph (B) thereof—

17 “(i) ‘calendar year 1993’ in the case
18 of the dollar amounts referred to in para-
19 graph (2)(B)(i), and

20 “(ii) ‘calendar year 1994’ in the case
21 of the dollar amounts referred to in para-
22 graph (2)(B)(ii).

23 “(2) DEFINITIONS, ETC.—For purposes of
24 paragraph (1)—

1 “(A) APPLICABLE CALENDAR YEAR.—The
2 term ‘applicable calendar year’ means—

3 “(i) 1994 in the case of the dollar
4 amounts referred to in paragraph
5 (2)(B)(i), and

6 “(ii) 1995 in the case of the dollar
7 amounts referred to in paragraph
8 (2)(B)(ii).

9 “(B) DOLLAR AMOUNTS.—The dollar
10 amounts referred to in this subparagraph are—

11 “(i) each dollar amount contained in
12 subsection (b)(2)(A), and

13 “(ii) the \$16,000 amount contained in
14 subsection (b)(3) and the dollar amount
15 contained in subsection (c)(4)(B).

16 “(3) ROUNDING.—If any dollar amount after
17 being increased under paragraph (1) is not a mul-
18 tiple of \$10, such dollar amount shall be rounded to
19 the nearest multiple of \$10 (or, if such dollar
20 amount is a multiple of \$5, such dollar amount shall
21 be increased to the next higher multiple of \$10).”.

22 (e) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 December 31, 1994.

**TITLE III—CHILD SUPPORT
ENFORCEMENT**

**SEC. 301. NATIONAL REPORTING OF INFORMATION RELAT-
ING TO CHILD SUPPORT WITH RESPECT TO
CERTAIN EMPLOYEES.**

(a) MODIFIED W-4 REPORTING.—

(1) ESTABLISHMENT OF REPORTING SYSTEM.—

The Secretary of the Treasury, in consultation with the Secretary of Labor, shall establish a system for the reporting of information relating to child support obligations of employees, that meets the requirements of this subsection.

(2) EMPLOYEE OBLIGATIONS.—

(A) EMPLOYEES SUBJECT TO CHILD SUPPORT WAGE WITHHOLDING.—The system shall require each employee who owes a qualified child support obligation to indicate, at the time such obligation first arises or is modified, on a W-4 form that the employee is otherwise required to file with the employer—

(i) the existence of the obligation;

(ii) the amount of the obligation;

(iii) the name and address of the person to whom the obligation is owed; and

1 (iv) whether health care insurance is
2 available through the employer to the fam-
3 ily of the employee.

4 (B) EMPLOYEES IN DESIGNATED INDUS-
5 TRIES.—The system shall require each em-
6 ployee, who is employed in a State in an indus-
7 try that the State has designated pursuant to
8 section 466(a)(12)(A) of the Social Security Act
9 as one with respect to which universal employ-
10 ment reporting would improve child support en-
11 forcement in a cost-effective manner, to annu-
12 ally file with the employer a W-4 form indicat-
13 ing—

14 (i) whether the employee owes a quali-
15 fied child support obligation; and

16 (ii) if so—

17 (I) the amount of the obligation;

18 (II) the name and address of the
19 person to whom the obligation is
20 owed; and

21 (III) whether health care insur-
22 ance is available through the employer
23 to the family of the employee.

24 (C) ONE-TIME UPDATING OF W-4 INFOR-
25 MATION OF ALL EMPLOYEES.—The system shall

1 require each employee to file with the employer,
2 during a period that the State in which the em-
3 ployee is employed has prescribed pursuant to
4 section 466(a)(12)(B) of the Social Security
5 Act, a W-4 form indicating—

6 (i) whether the employee owes a quali-
7 fied child support obligation; and

8 (ii) if so—

9 (I) the amount of each such obli-
10 gation;

11 (II) the name and address of
12 each person to whom the obligation is
13 owed; and

14 (III) whether health care insur-
15 ance is available through the employer
16 to the family of the employee.

17 (D) QUALIFIED CHILD SUPPORT OBLIGA-
18 TION.—As used in this subsection, the term
19 “qualified child support obligation” means a
20 legal obligation to provide child support (as de-
21 fined in section 462(b) of the Social Security
22 Act) which is to be collected, in whole or in
23 part, through wage withholding pursuant to an
24 order issued by a court of any State or an order

1 of an administrative process established under
2 the law of any State.

3 (3) EMPLOYER OBLIGATIONS.—Each employer
4 who receives information from an employee pursuant
5 to paragraph (2) of this subsection shall—

6 (A) within 10 days after such receipt, for-
7 ward the information to the agency, designated
8 pursuant to section 466(a)(11)(A) of the Social
9 Security Act, of the State in which the em-
10 ployee is employed by the employer; and

11 (B) withhold from the income of the em-
12 ployee the amount indicated on the W-4 form
13 (or, if the employer has received from the State
14 a notice that the amount is incorrect, such
15 other amount as the State indicates is to be so
16 withheld), in the manner described in section
17 466(b)(6)(A)(i) of such Act.

18 (4) NEW HIRES IN CERTAIN STATES EX-
19 CEPTED.—This subsection shall not apply with re-
20 spect to the employment in a State of any employee
21 not described in paragraph (2)(B) if the Secretary
22 of Health and Human Services determines that the
23 State—

1 (A) requires all employers in the State to
2 report to the State all basic employment infor-
3 mation on new hires;

4 (B) requires such information to be com-
5 pared with information in the State registry of
6 child support orders established pursuant to
7 section 466(a)(13) of the Social Security Act
8 and with requests from other States for infor-
9 mation on the location of noncustodial parents;

10 (C) maintains updated employment infor-
11 mation on all individuals employed in the State
12 in a manner that enables the State to effec-
13 tively respond to such requests; and

14 (D) requires all employers in the State, on
15 receipt of a notice from the State that an em-
16 ployee owes a qualified child support obligation,
17 to begin withholding from the income of the
18 employee the amount of the obligation, in the
19 manner described in section 466(b)(6)(A)(i) of
20 the Social Security Act.

21 (b) STATE ROLE.—Section 466(a) (42 U.S.C.
22 666(a)) is amended by inserting after paragraph (10) the
23 following:

24 “(11) Procedures under which the State shall
25 designate a public agency to—

1 “(A) maintain the information provided by
2 employers pursuant to section 301(a)(3) of the
3 Real Welfare Reform Act of 1994 in accordance
4 with regulations prescribed by the Secretary
5 which allow other States easy access to the in-
6 formation through the Interstate Locate Net-
7 work established under section 453(g) of this
8 Act; and

9 “(B) determine whether or not the infor-
10 mation described in subparagraph (A) of this
11 paragraph provided by an employer with respect
12 to an employee is accurate by comparing the in-
13 formation with the information on file in the
14 State registry of child support orders estab-
15 lished pursuant to section 466(a)(13) of this
16 Act, and—

17 “(i) if the information is confirmed by
18 the information on file in the registry, no-
19 tify any individual (or such individual’s
20 designee) who resides in the State and to
21 whom the employee has a legal obligation
22 to provide child support, of such informa-
23 tion;

24 “(ii) if the information is not so con-
25 firmed due to a discrepancy between the

1 information and a copy of a child support
2 order in the registry, notify the employer
3 of the discrepancy and the correct informa-
4 tion using the order developed under sec-
5 tion 452(a)(12) of this Act; or

6 “(iii) if the information is not so con-
7 firmed because the registry does not con-
8 tain a copy of an order that imposes a
9 child support obligation on the employee,
10 search the child support order registries
11 established pursuant to section 466(a)(13)
12 of this Act of the States in which the obli-
13 gation is most likely to have been imposed.

14 “(12) Procedures under which the State shall—

15 “(A) designate at least 1 industry, for pur-
16 poses of section 301(a)(2)(B) of the Real Wel-
17 fare Reform Act of 1994, as an industry with
18 respect to which universal employment report-
19 ing would improve child support enforcement in
20 a cost-effective manner;

21 “(B) prescribe the period during which
22 individuals employed in the State are to be
23 required to file with their employers updated
24 W-4 forms as required by section 301(a)(2)(C)
25 of such Act; and

1 “(C) impose a fine—

2 “(i) against any individual employed
3 in the State who is required by section
4 301(a)(2) of such Act to file a W-4 form
5 with any employer of the individual and
6 fails to do so; and

7 “(ii) in an amount equal to the aver-
8 age cost of noncompliance (as determined
9 by the State) or \$25, whichever is the less-
10 er, on any employer who fails to comply
11 with section 301(a)(3) of such Act for any
12 month.”.

13 **SEC. 302. STATE INFORMATION SYSTEMS.**

14 (a) STATE REGISTRIES OF CHILD SUPPORT OR-
15 DERS.—Section 466(a) (42 U.S.C. 666(a)), as amended
16 by section 301(b), is amended by inserting after para-
17 graph (12) the following:

18 “(13) Procedures requiring the State agency
19 designated pursuant to paragraph (16) to maintain
20 a child support order registry, which must include—

21 “(A) a copy of each child support order
22 being enforced under the State plan; and

23 “(B) at the request of an individual who
24 has or is owed a legal obligation to provide child
25 support (within the meaning of section 462(b)),

1 a copy of the order that imposes the obliga-
2 tion.”.

3 (b) ACCESSIBILITY OF STATE INFORMATION RELAT-
4 ED TO CHILD SUPPORT.—

5 (1) TO OTHER STATES.—Section 466(a) (42
6 U.S.C. 666(a)), as amended by section 301(b)(1)
7 and subsection (a) of this section, is amended by in-
8 serting after paragraph (13) the following:

9 “(14)(A) Procedures requiring all records of the
10 State to which the agency administering the plan
11 has access and determines may be useful in locating
12 noncustodial parents or collecting child support to be
13 made accessible to any agency of any State for such
14 purpose, through the Interstate Locate Network es-
15 tablished under section 453(g), in accordance with
16 safeguards established to prevent release of informa-
17 tion if the release might jeopardize the safety of any
18 individual.

19 “(B) The State may impose reasonable fees for
20 access to State records provided pursuant to sub-
21 paragraph (A).”.

22 (2) TO PRIVATE PARTIES.—Section 466(a) (42
23 U.S.C. 666(a)), as amended by section 301(b)(1),
24 subsection (a) of this section, and paragraph (1) of

1 this subsection, is amended by inserting after para-
2 graph (14) the following:

3 “(15) Procedures under which—

4 “(A) noncustodial parents (and their des-
5 ignees) must be given access to State parent lo-
6 cator services to aid in the establishment or en-
7 forcement of visitation rights, in accordance
8 with safeguards established to prevent release
9 of information if the release might jeopardize
10 the safety of any individual; and

11 “(B) custodial parents (and their des-
12 ignees) must be given access to State parent lo-
13 cator services to aid in the establishment and
14 enforcement of child support obligations against
15 noncustodial parents.”.

16 **SEC. 303. NATIONAL INFORMATION SYSTEMS.**

17 (a) EXPANSION OF PARENT LOCATOR SERVICE.—

18 Section 453 (42 U.S.C. 653) is amended—

19 (1) in subsection (a)—

20 (A) by inserting “(1)” after “transmit”;
21 and

22 (B) by striking “enforcing support obliga-
23 tions against such parent” and inserting “es-
24 tablishing parentage, establishing, modifying,
25 and enforcing child support obligations, and (2)

1 to any noncustodial parent (or the designee of
2 the noncustodial parent) information as to the
3 whereabouts of the custodial parent when such
4 information is to be used to locate such parent
5 for the purpose of enforcing child visitation
6 rights and obligations”;

7 (2) in subsection (b), by inserting after the 2nd
8 sentence the following: “Information shall not be
9 disclosed to a custodial parent or a noncustodial par-
10 ent if the disclosure would jeopardize the safety of
11 the child or either of such parents.”;

12 (3) in subsection (d), by inserting “and such
13 reasonable fees” after “such documents”; and

14 (4) by striking “absent parent” each place such
15 term appears and inserting “noncustodial parent”.

16 (b) ESTABLISHMENT OF INTERSTATE LOCATE NET-
17 WORK.—Section 453 (42 U.S.C. 653) is amended by add-
18 ing at the end the following:

19 “(g) The Secretary shall establish an Interstate Lo-
20 cate Network linking the Parent Locator Service and all
21 State databases relating to child support enforcement,
22 which—

23 “(1) any State may use to—

24 “(A) locate any noncustodial parent who
25 has a legal obligation to provide child support

1 (as defined in section 462(b)), with respect to
2 whom such an obligation is being sought, or
3 against whom visitation rights are being en-
4 forced, by accessing the records of any Federal,
5 State, or other source of locate or child support
6 information, directly from one computer system
7 to another; or

8 “(B) direct a locate request to another
9 State or a Federal agency, or, if the source of
10 locate information is unknown, broadcast such
11 a request to selected States or to all States;

12 “(2) allows on-line and batch processing of lo-
13 cate requests, with on-line access restricted to cases
14 in which the information is needed immediately
15 (such as for court appearances), and batch process-
16 ing used to ‘troll’ data bases to locate individuals or
17 update information periodically; and

18 “(3) enables courts to access information on the
19 Interstate Locate Network through a computer ter-
20 minal located in the court.”.

21 (c) INFORMATION SHARING REGULATIONS.—Section
22 452(a) (42 U.S.C. 652(a)) is amended—

23 (1) by striking “and” at the end of paragraph
24 (9);

1 (2) by striking the period at the end of the 2nd
2 sentence of paragraph (10) and inserting “; and”;
3 and

4 (3) by inserting after paragraph (10) the fol-
5 lowing:

6 “(11) prescribe regulations governing informa-
7 tion sharing among States, within States, and be-
8 tween the States and the Parent Locator Service—

9 “(A) to ensure that a State may broadcast
10 a request for information for the purpose of lo-
11 cating a noncustodial parent or collecting child
12 support, and receive a response to the request
13 in not more than 48 hours; and

14 “(B) to require a State that is attempting
15 to locate a noncustodial parent—

16 “(i) to compare all outstanding cases
17 with information in the employment
18 records of the State; and

19 “(ii) if, after complying with clause
20 (i), the State is unable to locate the
21 noncustodial parent, then—

22 “(I) if the State has reason to
23 believe that the noncustodial parent is
24 in another particular State or States,
25 to request such State or States for in-

1 formation on the noncustodial parent;
2 and
3 “(II) if not, to broadcast to all
4 States a request for such informa-
5 tion.”.

6 **SEC. 304. INCOME WITHHOLDING.**

7 (a) STATE ROLE.—Section 466(a) (42 U.S.C.
8 666(a)), as amended by sections 301(b)(1) and 302, is
9 amended by inserting after paragraph (15) the following:

10 “(16) Procedures under which the State shall
11 designate a public agency to—

12 “(A) collect child support pursuant to the
13 State plan; and

14 “(B) distribute, in accordance with section
15 457 and with all due deliberate speed, the
16 amounts collected as child support.

17 “(17) Procedures under which the State shall
18 require any court of the State that establishes or
19 modifies a child support order to transmit a copy of
20 the order to the State agency designated pursuant to
21 paragraph (18), unless the order does not provide
22 for income withholding, and the noncustodial parent
23 and the custodial parent object.

24 “(18) Procedures under which the State shall
25 designate a State agency to use the uniform income

1 withholding order developed under section
2 452(a)(12) to notify the agency administering the
3 State plan, any employer of an individual required to
4 pay child support through income withholding pursu-
5 ant to an order issued or modified in the State, and
6 the agency designated pursuant to paragraph (16) of
7 this subsection of each State in which such an em-
8 ployer is located, of—

9 “(A) the identity of the individual;

10 “(B) the amount to be withheld; and

11 “(C) the State agency to which the with-
12 held amount is to be paid.”.

13 (b) UNIFORM WITHHOLDING ORDER.—Section
14 452(a) (42 U.S.C. 652(a)), as amended by section 303(c),
15 is amended—

16 (1) by striking “and” at the end of paragraph
17 (10);

18 (2) by striking the period at the end of para-
19 graph (11) and inserting “; and”; and

20 (3) by inserting after paragraph (11) the fol-
21 lowing:

22 “(12) develop a uniform order to be used in all
23 cases in which income is to be withheld for the pay-
24 ment of child support, which shall—

1 “(A) contain the name of the individual
2 whose income is to be withheld, the number of
3 children covered by the order, and the individ-
4 ual or State to whom the withheld income is to
5 be paid, and

6 “(B) be in the form necessary to allow for
7 the service of the order on all sources of in-
8 come.”.

9 (c) STATES REQUIRED TO HAVE LAWS REQUIRING
10 EMPLOYERS TO WITHHOLD CHILD SUPPORT PURSUANT
11 TO UNIFORM INCOME WITHHOLDING ORDERS.—Section
12 466(b) (42 U.S.C. 666(b)) is amended—

13 (1) in paragraph (1), by inserting “and in the
14 case of each individual employed in the State,” be-
15 fore “so much”;

16 (2) in paragraph (6)(C), by inserting “of this
17 paragraph and paragraph (9)(B) of this subsection”
18 after “(A)”; and

19 (3) in paragraph (9)—

20 (A) by inserting “(A)” after “(9)”; and

21 (B) by adding at the end the following:

22 “(B)(i) As a condition of doing business in the
23 State, any individual or entity engaged in commerce
24 in the State shall, upon receipt of a valid income
25 withholding order for any of its employees—

1 “(I) immediately provide a copy of the
2 order to the employee subject to the order; and

3 “(II) notwithstanding paragraph (4) of
4 this subsection, withhold, within 10 days after
5 receipt of the order, income from the employee
6 in the manner described in paragraph (6)(A)(i)
7 of this subsection.

8 “(ii) A valid income withholding order may be
9 served on the individual or entity directly or by first-
10 class mail.

11 “(iii) Any individual or entity who complies
12 with a valid income withholding order may not be
13 held liable for wrongful withholding of income from
14 the employee subject to the order.

15 “(iv) The State shall impose a civil fine in an
16 amount equal to the average cost of noncompliance
17 (as determined by the State) or \$25, whichever is
18 the lesser, on any such individual or entity who re-
19 ceives a valid income withholding order with respect
20 to an employee of the individual or entity, and who,
21 due to negligence, fails to comply with the order
22 within 10 days after receipt.

23 “(v) Any individual or entity who imposes a fee
24 for the administration of child support income with-
25 holding and related reporting of information shall

1 not collect more than the average cost of such ad-
2 ministration, as determined by the State.

3 “(vi) For purposes of this subparagraph, a valid
4 income withholding order is a withholding order de-
5 veloped under section 452(a)(12) that has been is-
6 sued by a court or agency of a State and is regular
7 on its face.”.

8 **SEC. 305. UNIFORM TERMS IN ORDERS.**

9 Section 452(a) (42 U.S.C. 652(a)), as amended by
10 sections 303(c) and 304(b), is amended—

11 (1) in paragraph (11), by striking “and” after
12 the semicolon;

13 (2) in paragraph (12), by striking the period at
14 the end of the 2nd sentence and inserting “; and”;
15 and

16 (3) by adding at the end the following:

17 “(13) develop, in conjunction with State execu-
18 tive and judicial organizations, a uniform abstract of
19 a child support order, for use by all State courts to
20 record, with respect to each child support order in
21 the child support order registry established under
22 section 466(a)(12)—

23 “(A) the date support payments are to
24 begin under the order;

1 “(B) the circumstances upon which sup-
2 port payments are to end under the order;

3 “(C) the amount of child support payable
4 pursuant to the order expressed as a sum cer-
5 tain to be paid on a monthly basis, arrearages
6 expressed as a sum certain as of a certain date,
7 and any payback schedule for the arrearages;

8 “(D) whether the order awards support in
9 a lump sum (nonallocated) or per child;

10 “(E) if the award is in a lump sum, the
11 event causing a change in the support award
12 and the amount of any change;

13 “(F) other expenses covered by the order;

14 “(G) the names of the parents subject to
15 the order;

16 “(H) the social security account numbers
17 of the parents;

18 “(I) the name, date of birth, and social se-
19 curity account number (if any) of each child
20 covered by the order;

21 “(J) the identification (FIPS code, name,
22 and address) of the court that issued the order;

23 “(K) any information on health care sup-
24 port required by the order; and

1 “(L) the party to contact if additional in-
2 formation is obtained.”.

3 **SEC. 306. IMPROVEMENTS IN PATERNITY ESTABLISHMENT.**

4 Section 466(a) (42 U.S.C. 666(a)) is amended—

5 (1) by striking “at the option of the State,” in
6 paragraph (2)(B), and

7 (2) by adding at the end of paragraph (5) the
8 following new subparagraph:

9 “(C) Procedures under which—

10 “(i) the opportunity to establish paternity
11 voluntarily and by simple affidavit is available
12 to the unmarried parents of a child at the time
13 of the child’s birth by requiring hospitals and
14 birthing facilities to make explanatory materials
15 and forms available to the parents as part of
16 the birth certificate process;

17 “(ii) a simple, civil consent procedure is
18 available at any time for individuals who agree
19 to acknowledge parentage of a child;

20 “(iii) an acknowledgment of parentage may
21 be incorporated in a witnessed, written state-
22 ment that includes a statement that—

23 “(I) the individual signing such state-
24 ment understands the consequences of ac-
25 knowledging paternity,

1 “(II) such individual is signing the
2 statement voluntarily,

3 “(III) such individual does not object
4 to the court entering an order for parent-
5 age, based on the acknowledgment, without
6 notice prior to the entry of the order and
7 without the requirement of pleadings, serv-
8 ice, summons, testimony, or a hearing, and

9 “(IV) such individual understands
10 that signing such statement may create an
11 obligation to provide child support; and

12 “(iv) if under State law a court order is re-
13 quired to establish paternity, an acknowledg-
14 ment of parentage as provided for under clause
15 (iii) shall be filed with a State court of appro-
16 priate jurisdiction within 10 days and a pater-
17 nity order based on such acknowledgment shall
18 be established without the requirement of plead-
19 ings, service, summons, testimony, or a hear-
20 ing.”.

21 **SEC. 307. WAIVER OF FEE FOR CERTAIN INDIVIDUALS RE-**
22 **CEIVING CHILD SUPPORT COLLECTION OR**
23 **PATERNITY DETERMINATION SERVICES.**

24 Section 454 (42 U.S.C. 654) is amended by striking
25 “and” at the end of paragraph (23), by striking the period

1 at the end of paragraph (24) and inserting “; and”, and
 2 by inserting after paragraph (24) the following new para-
 3 graph:

4 “(25) notwithstanding subparagraphs (B), (C),
 5 and (D) of paragraph (6), provide that no fee shall
 6 be imposed for child support collection or paternity
 7 determination services provided with respect to an
 8 individual who is denied assistance under part A of
 9 this title due to the amendments made by title II of
 10 the Real Welfare Reform Act of 1994.”.

11 **TITLE IV—SPECIFIC REFORMS** 12 **IN WELFARE SPENDING**

13 **SEC. 401. INCOME ELIGIBILITY GUIDELINES FOR SCHOOL** 14 **LUNCH AND BREAKFAST PROGRAMS.**

15 The third sentence of section 9(b)(1)(A) of the Na-
 16 tional School Lunch Act (42 U.S.C. 1758(b)(1)(A)) is
 17 amended by striking “185 percent” and inserting “130
 18 percent”.

19 **SEC. 402. REPEAL OF EXPANSIONS TO FOOD STAMP PRO-** 20 **GRAM.**

21 (a) IN GENERAL.—Chapter 3 of title XIII of Public
 22 Law 103–66, and the amendments made by such chapter,
 23 are repealed as of the enactment of such chapter.

24 (b) ADMINISTRATION.—The Food Stamp Act of 1977
 25 (7 U.S.C. 2011 et seq.) shall be applied and administered

1 as if chapter 3 of title XIII of Public Law 103–66, and
2 the amendments made by such chapter, had not been en-
3 acted.

4 **SEC. 403. REPEAL OF EMPOWERMENT ZONES AND ENTER-**
5 **PRISE COMMUNITIES.**

6 (a) REPEAL.—Part I of subchapter C of title XIII
7 of the Revenue Reconciliation Act of 1993 is hereby re-
8 pealed.

9 (b) APPLICATION OF INTERNAL REVENUE CODE.—
10 The Internal Revenue Code of 1986 shall be applied and
11 administered as if the provision described in subsection (a)
12 had not been enacted.

13 **SEC. 404. REDUCTION OF BENEFITS TO AFDC FAMILIES**
14 **WHO ALSO RECEIVE PUBLIC HOUSING BENE-**
15 **FITS.**

16 (a) REPEAL OF OPTIONAL CONSIDERATION OF
17 HOUSING SUBSIDIES.—Section 402(a)(7)(C) (42 U.S.C.
18 602(a)(7)(C)) is amended—

- 19 (1) in clause (i), by striking “and” at the end;
20 (2) by striking clause (ii); and
21 (3) by striking “law)—” through “(i) an
22 amount” and inserting “law) an amount”.

23 (b) REDUCTION OF PAYMENTS TO AFDC FAMILIES
24 WHO RECEIVE PUBLIC HOUSING BENEFITS.—

1 (1) IN GENERAL.—Section 402(a) (42 U.S.C.
2 602(a)), as amended by sections 101(b)(2)(A) and
3 (e), 103(a) and (b), 201(b), 202(a), and 203(a), is
4 amended—

5 (A) by striking “and” at the end of para-
6 graph (51);

7 (B) by striking the period at the end of
8 paragraph (52) and inserting “; and”; and

9 (C) by inserting after paragraph (52) the
10 following new paragraph:

11 “(53) in the case of a family receiving aid
12 under this part for any month and occupying a unit
13 in public housing or housing assisted under section
14 8 of the United States Housing Act of 1937 or a
15 State housing program, reduce the payment of aid
16 under the plan to such family by 25 percent each
17 month.”.

18 (2) EFFECTIVE DATE.—The amendments made
19 by paragraph (1) shall apply with respect to pay-
20 ments under part A of title IV of the Social Security
21 Act for calendar quarters beginning on or after Oc-
22 tober 1, 1994.

23 **SEC. 405. REDUCTION OF SOCIAL SERVICES BLOCK**
24 **GRANTS.**

25 Section 2003(c) (42 U.S.C. 1397b(c)) is amended—

1 (1) in paragraph (4), by striking “and” at the
2 end;

3 (2) in paragraph (5), by striking “each fiscal
4 year after fiscal year 1989.” and inserting “fiscal
5 years 1990, 1991, 1992, 1993, and 1994; and”;

6 (3) by adding at the end the following new
7 paragraph:

8 “(6) \$1,800,000,000 for each fiscal year after
9 fiscal year 1994.”.

10 **SEC. 406. RESTRICTIONS ON WELFARE BENEFITS PRO-**
11 **VIDED TO ALIENS.**

12 (a) BENEFITS LIMITED TO CITIZENS.—On and after
13 the date of the enactment of this Act, notwithstanding any
14 other provision of law, no benefits shall be available under
15 the following programs to any individual who is not a
16 United States citizen:

17 (1) The program of medical assistance under
18 title XIX of the Social Security Act, except emer-
19 gency services (as defined for purposes of section
20 1916(a)(2)(D) of the Social Security Act).

21 (2) The Maternal and Child Health Services
22 Block Grant Program under title V of the Social Se-
23 curity Act.

1 (3) The program established in section 330 of
2 the Public Health Service Act (relating to commu-
3 nity health centers).

4 (4) The program established in section 1001 of
5 the Public Health Service Act (relating to family
6 planning methods and services).

7 (5) The program established in section 329 of
8 the Public Health Service Act (relating to migrant
9 health centers).

10 (6) The program of aid and services to needy
11 families with children under part A of title IV of the
12 Social Security Act.

13 (7) The child welfare services program under
14 part B of title IV of the Social Security Act.

15 (8) The supplemental security income program
16 under title XVI of the Social Security Act.

17 (9) The program of foster care and adoption
18 assistance under part E of title IV of the Social Se-
19 curity Act.

20 (10) The food stamp program, as defined in
21 section 3(h) of the Food Stamp Act of 1977 (7
22 U.S.C. 2012(h)).

23 (11) The school lunch program carried out
24 under the National School Lunch Act (42 U.S.C.
25 1751 et seq.).

1 (12) The special supplemental food program for
2 women, infants, and children carried out under sec-
3 tion 17 of the Child Nutrition Act of 1966 (42
4 U.S.C. 1786).

5 (13) The nutrition programs carried out under
6 part C of title III of the Older Americans Act of
7 1965 (42 U.S.C. 3030e et seq.).

8 (14) The school breakfast program carried out
9 under section 4 of the Child Nutrition Act of 1966
10 (42 U.S.C. 1773).

11 (15) The child and adult care food program
12 carried out under section 17 of the National School
13 Lunch Act (42 U.S.C. 1766).

14 (16) The Emergency Food Assistance Act of
15 1983 (7 U.S.C. 612c note).

16 (17) The summer food service program for chil-
17 dren carried out under section 13 of the National
18 School Lunch Act (42 U.S.C. 1761).

19 (18) The commodity supplemental food pro-
20 gram authorized by section 4(a) of the Agriculture
21 and Consumer Protection Act of 1973 (7 U.S.C.
22 612c note).

23 (19) The special milk program carried out
24 under section 3 of the Child Nutrition Act of 1966
25 (42 U.S.C. 1772).

1 (20) The program of rental assistance on behalf
2 of low-income families provided under section 8 of
3 the United States Housing Act of 1937 (42 U.S.C.
4 1437f).

5 (21) The program of assistance to public hous-
6 ing under title I of the United States Housing Act
7 of 1937 (42 U.S.C. 1437 et seq.).

8 (22) The loan program under section 502 of the
9 Housing Act of 1949 (42 U.S.C. 1472).

10 (23) The program of interest reduction pay-
11 ments pursuant to contracts entered into by the Sec-
12 retary of Housing and Urban Development under
13 section 236 of the National Housing Act (12 U.S.C.
14 1715z-1).

15 (24) The program of loans for rental and coop-
16 erative housing under section 515 of the Housing
17 Act of 1949 (42 U.S.C. 1485).

18 (25) The program of rental assistance pay-
19 ments pursuant to contracts entered into under sec-
20 tion 521(a)(2)(A) of the Housing Act of 1949 (42
21 U.S.C. 1490a(a)(2)(A)).

22 (26) The program of assistance payments on
23 behalf of homeowners under section 235 of the Na-
24 tional Housing Act (12 U.S.C. 1715z).

1 (27) The program of rent supplement payments
2 on behalf of qualified tenants pursuant to contracts
3 entered into under section 101 of the Housing and
4 Urban Development Act of 1965 (12 U.S.C. 1701s).

5 (28) The loan and grant programs under sec-
6 tion 504 of the Housing Act of 1949 (42 U.S.C.
7 1474) for repairs and improvements to rural dwell-
8 ings.

9 (29) The loan and assistance programs under
10 sections 514 and 516 of the Housing Act of 1949
11 (42 U.S.C. 1484, 1486) for housing for farm labor.

12 (30) The program of grants for preservation
13 and rehabilitation of housing under section 533 of
14 the Housing Act of 1949 (42 U.S.C. 1490m).

15 (31) The program of grants and loans for mu-
16 tual and self-help housing and technical assistance
17 under section 523 of the Housing Act of 1949 (42
18 U.S.C. 1490c).

19 (32) The program of site loans under section
20 524 of the Housing Act of 1949 (42 U.S.C. 1490d).

21 (33) The program under part B of title IV of
22 the Higher Education Act of 1965.

23 (34) The program under subpart 1 of part A of
24 title IV of the Higher Education Act of 1965.

1 (35) The program under part C of title IV of
2 the Higher Education Act of 1965.

3 (36) The program under subpart 3 of part A of
4 title IV of the Higher Education Act of 1965.

5 (37) The program under part E of title IV of
6 the Higher Education Act of 1965.

7 (38) The program under subpart 4 of part A of
8 title IV of the Higher Education Act of 1965.

9 (39) The program under title IX of the Higher
10 Education Act of 1965.

11 (40) The program under subpart 5 of part A of
12 title IV of the Higher Education Act of 1965.

13 (41) The programs established in sections 338A
14 and 338B of the Public Health Service Act and the
15 programs established in part A of title VII of such
16 Act (relating to loans and scholarships for education
17 in the health professions).

18 (42) The program established in part A of title
19 XIX of the Public Health Service Act (relating to
20 block grants for preventive health and health serv-
21 ices).

22 (43) The programs established in subparts I
23 and II of part B of title XIX of the Public Health
24 Service Act.

1 (44)(A) The program of training for disadvan-
2 taged adults and youth under part A of title II of
3 the Job Training Partnership Act (29 U.S.C. 1601
4 et seq.), as in effect before July 1, 1993.

5 (B)(i) The program of training for disadvan-
6 taged adults under part A of title II of the Job
7 Training Partnership Act (29 U.S.C. 1601 et seq.),
8 as in effect on and after July 1, 1993.

9 (ii) The program of training for disadvantaged
10 youth under part C of title II of the Job Training
11 Partnership Act (29 U.S.C. 1641 et seq.), as in ef-
12 fect on and after July 1, 1993.

13 (45) The Job Corps program under part B of
14 title IV of the Job Training Partnership Act (29
15 U.S.C. 1692 et seq.).

16 (46) The summer youth employment and train-
17 ing programs under part B of title II of the Job
18 Training Partnership Act (29 U.S.C. 1630 et seq.).

19 (47) The programs carried out under the Older
20 American Community Service Employment Act (42
21 U.S.C. 3001 et seq.).

22 (48) The programs under title III of the Older
23 Americans Act of 1965.

1 (49) The programs carried out under part B of
2 title II of the Domestic Volunteer Service Act of
3 1973 (42 U.S.C. 5011–5012).

4 (50) The programs carried out under part C of
5 title II of the Domestic Volunteer Service Act of
6 1973 (42 U.S.C. 5013).

7 (51) The program under the Low-Income En-
8 ergy Assistance Act of 1981 (42 U.S.C. 8621 et
9 seq.).

10 (52) The weatherization assistance program
11 under title IV of the Energy Conservation and Pro-
12 duction Act (42 U.S.C. 6851).

13 (53) The program of block grants to States for
14 social services under title XX of the Social Security
15 Act.

16 (54) The programs carried out under the Com-
17 munity Services Block Grant Act (42 U.S.C. 9901
18 et seq.).

19 (55) The program of legal assistance to eligible
20 clients and other programs under the Legal Services
21 Corporation Act (42 U.S.C. 2996 et seq.).

22 (56) The program for emergency food and shel-
23 ter grants under title III of the Stewart B. McKin-
24 ney Homeless Assistance Act (42 U.S.C. 11331 et
25 seq.).

1 (57) The programs carried out under the Child
2 Care and Development Block Grant Act of 1990 (42
3 U.S.C. 9858 et seq.).

4 (58) A State program for providing child care
5 under section 402(i) of the Social Security Act.

6 (b) EDUCATION OF CHILDREN OF ILLEGAL
7 ALIENS.—

8 (1) STATEMENT OF POLICY.—It is the policy of
9 the Congress that States and local educational agen-
10 cies should not be required to provide a free public
11 elementary or secondary education to any individual
12 who is not within one of the following classes of indi-
13 viduals:

14 (A) Citizens of the United States.

15 (B) Aliens lawfully admitted to the United
16 States for permanent residence.

17 (C) Aliens who are permanently residing in
18 the United States under color of law (including
19 residence as an asylee, refugee, or parolee).

20 (2) NOTIFICATION OF AUTHORITIES.—A State
21 or local educational agency shall notify the Attorney
22 General whenever such State or agency learns that
23 a child who is not within a class of individuals under
24 subparagraph (A), (B), or (C) of paragraph (1) is

1 enrolled in a public elementary or secondary school
2 served by such State or agency, respectively.

3 (3) DEPORTATION.—

4 (A) IN GENERAL.—After receiving notifica-
5 tion under paragraph (2), the Attorney General
6 shall immediately take action under section 242
7 of the Immigration and Nationality Act to bring
8 deportation proceedings against a child de-
9 scribed in such paragraph, and any relative liv-
10 ing with such child who is not within a class of
11 individuals under subparagraph (A), (B), or (C)
12 of paragraph (1).

13 (B) REQUIREMENT.—Notwithstanding any
14 other provision of law, a State or local edu-
15 cational agency shall not be required to provide
16 a free public education to any individual de-
17 scribed in subparagraph (A) during the period
18 such individual is awaiting deportation.

19 (4) DEFINITIONS.—For the purpose of this sec-
20 tion—

21 (A) the terms “local educational agency”,
22 “elementary school”, and “secondary school”
23 have the meanings given such terms in section
24 1471 of the Elementary and Secondary Edu-
25 cation Act of 1965, and

1 (B) the term “State” means the 50 States,
2 the District of Columbia, Puerto Rico, Amer-
3 ican Samoa, Guam, and the Virgin Islands.

4 **SEC. 407. REPLACEMENT OF CASH BENEFIT WITH MEDICAL**
5 **VOUCHERS.**

6 (a) IN GENERAL.—Section 1611(b) (42 U.S.C.
7 1382(b)) is amended by adding at the end the following
8 new paragraph:

9 “(3) Notwithstanding paragraphs (1) and (2),
10 the benefit under this title for a child who has not
11 attained 18 years of age shall be vouchers issued
12 pursuant to subsection (j).”.

13 (b) ISSUANCE OF VOUCHERS FOR TREATMENT OF
14 DISABLING CONDITIONS OF CHILDREN ELIGIBLE FOR
15 SSI BENEFITS.—Section 1611 (42 U.S.C. 1382) is
16 amended by adding at the end the following new sub-
17 section:

18 “VOUCHER PROGRAM

19 “(j)(1) The Secretary of Health and Human Services
20 shall issue to each child eligible for benefits under this
21 title who has not attained 18 years of age vouchers which
22 may be used to cover the cost of any item—

23 “(A) that is associated with treating the blind-
24 ness or disability of the child;

25 “(B) for which a medical expense deduction
26 may be claimed under section 213 of the Internal

1 Revenue Code of 1986 by the child or any taxpayer
2 who may claim the child as a dependent; and

3 “(C) the cost of which is not covered by the
4 program of medical assistance approved under title
5 XIX of the State in which the child resides.

6 “(2) The annual dollar amount of the vouchers issued
7 under this subsection with respect to a child shall not ex-
8 ceed the annual amount of the cash benefit to which the
9 child would (but for this subsection) have been entitled
10 under this title.

11 “(3)(A) The Secretary shall pay to each qualified pro-
12 vider of health care goods or services that submits to the
13 Secretary a voucher issued under this subsection, the face
14 amount of the voucher.

15 “(B) For purposes of subparagraph (A), the term
16 ‘qualified provider’ means a provider that is licensed by
17 a State or by a professional health care organization ap-
18 proved by the Secretary.

19 “(4) The parents of a child who receives vouchers
20 under this subsection may submit to the Secretary vouch-
21 ers issued under this subsection for transportation costs
22 incurred in providing medical or therapeutic assistance to
23 such child and the Secretary shall make payments to such
24 parents under such vouchers pursuant to the rules relating

1 to transportation costs under section 213 of the Internal
2 Revenue Code of 1986.”.

3 **SEC. 408. DISABILITY REVIEW REQUIRED FOR SSI RECIPI-**
4 **ENTS WHO ARE 18 YEARS OF AGE.**

5 (a) IN GENERAL.—Section 1614(a)(3)(G) (42 U.S.C.
6 1382(a)(3)(G)) is amended—

7 (1) by inserting “(i)” after “(G)”; and

8 (2) by adding after and below the end the fol-
9 lowing:

10 “(ii)(I) During the 1-year period that begins on the
11 date a recipient of benefits under this title by reason of
12 disability attains 18 years of age, the applicable State
13 agency or the Secretary (as may be appropriate) shall re-
14 determine the eligibility of the recipient for such benefits
15 by reason of disability, by applying the criteria used in
16 determining eligibility for such benefits of applicants who
17 have attained 18 years of age.

18 “(II) A review under subclause (I) shall be considered
19 a substitute for a review required under clause (i).”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall apply to individuals who attain 18
22 years of age in or after the 9th month after the month
23 in which this Act is enacted.

1 **SEC. 409. AMOUNT OF FUNDS AVAILABLE FOR LOW-INCOME**
 2 **HOME ENERGY ASSISTANCE.**

3 Notwithstanding any other provision of law, the
 4 amount of funds available for obligation in any fiscal year
 5 for programs and activities under the Low-Income Home
 6 Energy Assistance Act of 1981 (title XXVI of Public Law
 7 97–35; 42 U.S.C. 8621 et seq.) shall be the amount of
 8 funds appropriated for that fiscal year for such programs
 9 and activities pursuant to the authorization of appropria-
 10 tions in section 2602(b) of such Act (42 U.S.C. 8621(b))
 11 reduced by \$400,000,000.

12 **TITLE V—STATE OPTIONS AND**
 13 **MISCELLANEOUS PROVISIONS**

14 **SEC. 501. OPTION TO TIME LIMIT WELFARE.**

15 (a) AFDC PROGRAM.—

16 (1) IN GENERAL.—Section 402(a) (42 U.S.C.
 17 602(a)), as amended by sections 101 (b)(2)(A) and
 18 (e), 103 (a) and (b), 201(b), 202(a), 203(a), and
 19 404(b), is amended—

20 (A) by striking “and” at the end of para-
 21 graph (52);

22 (B) by striking the period at the end of
 23 paragraph (53) and inserting “; and”; and

24 (C) by inserting after paragraph (53) the
 25 following new paragraph:

26 “(54) at the option of the State—

1 “(A) provide that aid shall be available to
2 a family otherwise eligible under the plan only
3 for a period of time determined appropriate by
4 the State; and

5 “(B) provide that in the case of a family
6 applying for aid under the State plan that has
7 moved to the State from another State which
8 has a limit under subparagraph (A) in effect,
9 the State may apply such limit to the family in
10 determining—

11 “(i) the eligibility of the family for aid
12 under this part; and

13 “(ii) the amount of aid available to
14 the family under this part.”.

15 (2) ELIGIBILITY FOR MEDICAID PROGRAM.—

16 Section 402 (42 U.S.C. 602) is amended by insert-
17 ing after subsection (c) the following new subsection:

18 “(d) An individual shall continue to be eligible for
19 medical assistance under the State plan under title XIX
20 if, but for the exercise by the State of the option under
21 subsection (a)(54), the individual would be eligible for aid
22 to families with dependent children under this part.”.

23 (b) FOOD STAMP PROGRAM.—Section 6 of the Food
24 Stamp Act of 1977 (7 U.S.C. 2015), as amended by sec-

1 tions 102(a), 201(c), and 202(b), is amended by adding
 2 at the end the following new subsection:

3 “(l)(1) A State may provide that food stamps shall
 4 be available to households residing in the State that are
 5 otherwise eligible under this Act only for a period of time
 6 determined appropriate by the State.

7 “(2) If a household moves to a State from another
 8 State which has a limit under paragraph (1) in effect, the
 9 State to which the household moves may apply such limit
 10 to such household in determining—

11 “(A) the eligibility of the household for food
 12 stamps; and

13 “(B) the amount of the allotment of the house-
 14 hold.”.

15 (c) HOUSING PROGRAMS.—The United States Hous-
 16 ing Act of 1937 (42 U.S.C. 1437 et seq.), as amended
 17 in section 201(d), is amended—

18 (1) in section 6, by adding at the end the fol-
 19 lowing new subsection:

20 “(r) OPTION TO TIME LIMIT ASSISTANCE.—Each
 21 contract described in subsection (a) shall provide that—

22 “(1) the Governor of each State shall have the
 23 option to limit the period of time during which any
 24 individual residing in the State who is otherwise eli-

1 gible to receive assistance under this Act may receive
2 such assistance; and

3 “(2) if an individual moves to a State from an-
4 other State which has a limit under paragraph (1)
5 in effect, the Governor of the State to which the in-
6 dividual moves may apply such limit to such individ-
7 ual in determining—

8 “(A) the eligibility of the individual for as-
9 sistance under this Act; and

10 “(B) the amount of assistance available to
11 the individual under this Act.”; and

12 (2) in section 8, by adding at the end the fol-
13 lowing new subsection:

14 “(aa) OPTION TO TIME LIMIT ASSISTANCE.—Each
15 contract to make assistance payments described in sub-
16 section (a) shall provide that—

17 “(1) the Governor of each State shall have the
18 option to limit the period of time during which any
19 individual residing in the State who is otherwise eli-
20 gible to receive assistance under this section may re-
21 ceive such assistance; and

22 “(2) if an individual moves to a State from an-
23 other State which has a limit under paragraph (1)
24 in effect, the Governor of the State to which the in-

1 dividual moves may apply such limit to such individ-
2 ual in determining—

3 “(A) the eligibility of the individual for as-
4 sistance under this section; and

5 “(B) the amount of assistance available to
6 the individual under this section.”.

7 **SEC. 502. OPTION TO TREAT INTERSTATE IMMIGRANTS**
8 **UNDER RULES OF FORMER STATE WITH RE-**
9 **SPECT TO AFDC BENEFITS.**

10 Section 402(a) (42 U.S.C. 602(a)), as amended by
11 sections 101(b)(2)(A) and (e), 103 (a) and (b), 201(b),
12 202(a), 203(a), 404(b), and 501, is amended—

13 (1) by striking “and” at the end of paragraph
14 (53);

15 (2) by striking the period at the end of para-
16 graph (54) and inserting “; and”; and

17 (3) by inserting after paragraph (54) the fol-
18 lowing new paragraph:

19 “(55) except as provided in paragraph (54) (re-
20 garding time limits on receipt of aid), at the option
21 of the State, in the case of a family applying for aid
22 under the State plan that has moved to the State
23 from another jurisdiction of the United States with
24 a State plan approved under this part, and has re-
25 sided in the State for less than 24 months consecu-

1 tively (as determined by the State), apply the rules
2 that would have been applied by such jurisdiction if
3 the family had not moved from such other jurisdic-
4 tion in determining—

5 “(A) the eligibility of the family for bene-
6 fits, and

7 “(B) the amount of benefits payable to the
8 family under the State plan,
9 during the 24-month period beginning on the date
10 the family moved to the State (as determined by the
11 State).”.

12 **SEC. 503. EVALUATION OF TRAINING PROGRAMS.**

13 (a) IN GENERAL.—The Secretary of Labor, in co-
14 operation with the States, shall conduct ongoing evalua-
15 tions of Federal and State job training programs. Such
16 evaluations shall—

17 (1) be conducted through experiments using
18 control groups chosen by scientific random assign-
19 ment; and

20 (2) determine whether job training programs ef-
21 fectively raise the hourly wage rates of individuals
22 receiving training through such programs

23 (b) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated \$15,000,000 for fiscal

1 years 1995 through 2000 to carry out the purposes of this
2 section.

3 **SEC. 504. ELIMINATION OF WELFARE BENEFITS WITH RE-**
4 **SPECT TO FUGITIVE FELONS AND PROBA-**
5 **TION AND PAROLE VIOLATORS.**

6 (a) MEDICAID PROGRAM.—

7 (1) INELIGIBILITY FOR MEDICAL ASSIST-
8 ANCE.—Section 1902(a) (42 U.S.C. 1396a(a)) is
9 amended—

10 (A) by striking “and” at the end of para-
11 graph (61);

12 (B) by striking the period at the end of
13 paragraph (62) and inserting “; and”; and

14 (C) by adding at the end the following new
15 paragraph:

16 “(63) provide that no medical assistance shall
17 be available under the plan to any individual who—

18 “(A) is taking an action described in sec-
19 tion 1073(1) of title 18, United States Code, or

20 “(B) is violating a condition of probation
21 or parole imposed under Federal or State law.”.

22 (2) EXCHANGE OF INFORMATION WITH LAW
23 ENFORCEMENT AGENCIES.—Section 1902(a)(7) (42
24 U.S.C. 1396a(a)(7)) is amended by inserting the fol-
25 lowing after the semicolon: “but such safeguards

1 shall not prevent the State agency from furnishing
2 a Federal, State, or local law enforcement officer,
3 upon such officer's request, with the current address
4 of any recipient if the officer furnishes the agency
5 with such recipient's name and notifies the agency
6 that—

7 “(A) such recipient—

8 “(i) is taking an action described in
9 section 1073(1) of title 18, United States
10 Code or violating a condition of probation
11 or parole imposed under Federal or State
12 law; or

13 “(ii) has information that is necessary
14 for the officer to conduct the officer's offi-
15 cial duties;

16 “(B) the location or apprehension of such
17 recipient is within the officer's official duties;
18 and

19 “(C) the request is made in the proper ex-
20 ercise of those duties;”.

21 (b) AFDC PROGRAM.—

22 (1) INELIGIBILITY FOR AID.—Section 402(a),
23 as amended by sections 101(b)(2)(A) and (e), 103
24 (a) and (b), 201(b), 202(a), 203(a), 404(b), 501,
25 and 502, (42 U.S.C. 602(a)) is amended—

1 (A) by striking “and” at the end of para-
2 graph (54);

3 (B) by striking the period at the end of
4 paragraph (55) and inserting “; and”; and

5 (C) by inserting after paragraph (55) the
6 following new paragraph:

7 “(56) provide that no aid shall be available
8 under the plan to any individual who—

9 “(A) is taking an action described in sec-
10 tion 1073(1) of title 18, United States Code, or

11 “(B) is violating a condition of probation
12 or parole imposed under Federal or State law.”.

13 (2) EXCHANGE OF INFORMATION WITH LAW
14 ENFORCEMENT AGENCIES.—Section 402(a)(9) (42
15 U.S.C. 602(a)(9)) is amended by striking “State or
16 local” through “official duties” and inserting “Fed-
17 eral, State, or local law enforcement officer, upon
18 such officer’s request, with the current address of
19 any recipient if the officer furnishes the agency with
20 such recipient’s name and notifies the agency that
21 such recipient is taking an action described in sec-
22 tion 1073(1) of title 18, United States Code, is vio-
23 lating a condition of probation or parole imposed
24 under Federal or State law, or has information that
25 is necessary for the officer to conduct the officer’s

1 official duties, that the location or apprehension of
2 such recipient is within the officer's official duties”.

3 (c) FOOD STAMP PROGRAM.—

4 (1) INELIGIBILITY FOR FOOD STAMPS.—Section
5 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015),
6 as amended by sections 102(a), 201(c), 202(b), and
7 501(b), is amended by adding at the end the follow-
8 ing new subsection:

9 “(m) No member of a household who is otherwise eli-
10 gible to participate in the food stamp program shall be
11 eligible to participate in the program as a member of that
12 or any other household while the individual is—

13 “(1) taking an action described in section
14 1073(1) of title 18, United States Code; or

15 “(2) violating a condition of probation or parole
16 imposed under Federal or State law.”.

17 (2) EXCHANGE OF INFORMATION WITH LAW
18 ENFORCEMENT OFFICERS.—Section 11(e)(8) of such
19 Act (7 U.S.C. 2020(e)(8)) is amended—

20 (A) by striking “and (C)” and inserting
21 “(C)”; and

22 (B) by inserting before the semicolon at
23 the end the following: “, and (D) notwithstand-
24 ing any other provision of law, all information
25 obtained under this Act from a member of a

1 household shall be made available, on request,
2 to a Federal, State, or local law enforcement of-
3 ficer if the officer furnishes the State agency
4 with the name of the member and notifies the
5 agency that (i) the member (I) is taking an ac-
6 tion described in section 1073(1) of title 18,
7 United States Code, or violating a condition of
8 probation or parole imposed under Federal or
9 State law, or (II) has information that is nec-
10 essary for the officer to conduct the officer's of-
11 ficial duties, (ii) the location or apprehension of
12 the member is within the official duties of the
13 officer, and (iii) the request is made in the
14 proper exercise of the duties''.

15 (d) SSI PROGRAM.—

16 (1) INELIGIBILITY FOR AID.—Section 1611(e)
17 (42 U.S.C. 1382(e)) is amended by inserting after
18 paragraph (3) the following new paragraph:

19 “(4) No person shall be an eligible individual or eligi-
20 ble spouse for purposes of this title with respect to any
21 month if throughout such month such individual or
22 spouse—

23 “(A) is taking an action described in sec-
24 tion 1073(1) of title 18, United States Code, or

1 “(B) is violating a condition of probation
2 or parole imposed under Federal or State law.”.

3 (2) EXCHANGE OF INFORMATION WITH LAW
4 ENFORCEMENT AGENCIES.—Section 1631(e) (42
5 U.S.C. 1383(e)) is amended by inserting after para-
6 graph (3) the following new paragraph:

7 “(4) Notwithstanding any other provision of law, the
8 Secretary shall furnish any Federal, State, or local law
9 enforcement officer, upon such officer’s request, with the
10 current address of any recipient of benefits under this
11 title, if the officer furnishes the agency with such recipi-
12 ent’s name and notifies the agency that—

13 “(A) such recipient—

14 “(i) is taking an action described in section
15 1073(1) of title 18, United States Code or vio-
16 lating a condition of probation or parole im-
17 posed under Federal or State law; or

18 “(ii) has information that is necessary for
19 the officer to conduct the officer’s official du-
20 ties;

21 “(B) the location or apprehension of such recipi-
22 ent is within the officer’s official duties; and

23 “(C) the request is made in the proper exercise
24 of those duties.”.

25 (e) HOUSING PROGRAMS.—

1 (1) ELIGIBILITY FOR ASSISTANCE.—The United
2 States Housing Act of 1937 (42 U.S.C. 1437 et
3 seq.) is amended—

4 (A) in section 6(l)—

5 (i) in paragraph (5), by striking
6 “and” at the end;

7 (ii) in paragraph (6), by striking the
8 period at the end and inserting “; and”;
9 and

10 (iii) by inserting immediately after
11 paragraph (6) the following new para-
12 graph:

13 “(7) provide that it shall be cause for imme-
14 diate termination of the tenancy of a public housing
15 tenant if such tenant—

16 “(A) is taking an action described in sec-
17 tion 1073(1) of title 18, United States Code; or

18 “(B) is violating a condition of probation
19 or parole imposed under Federal or State law.”;
20 and

21 (B) in section 8(d)(1)(B)—

22 (i) in clause (iii), by striking “and” at
23 the end;

24 (ii) in clause (iv), by striking the pe-
25 riod at the end and inserting “; and”; and

1 (iii) by adding after clause (iv) the
2 following new clause:

3 “(v) it shall be cause for termination
4 of the tenancy of a tenant if such tenant—

5 “(I) is taking an action described
6 in section 1073(1) of title 18, United
7 States Code; or

8 “(II) is violating a condition of
9 probation or parole imposed under
10 Federal or State law;”.

11 (2) PROVISION OF INFORMATION TO LAW EN-
12 FORCEMENT AGENCIES.—Title I of the United
13 States Housing Act of 1937 (42 U.S.C. 1437 et
14 seq.) is amended by adding at the end the following
15 new section:

16 **“SEC. 26. PROVISION OF INFORMATION TO LAW ENFORCE-**
17 **MENT AGENCIES.**

18 “Notwithstanding any other provision of law, each
19 public housing agency shall furnish to any Federal, State,
20 or local law enforcement agency, upon request, the current
21 address of any recipient of assistance under this Act if
22 the law enforcement agency—

23 “(1) furnishes the public housing agency with
24 such recipient’s name; and

25 “(2) notifies such agency that—

1 “(A) such recipient—

2 “(i) is taking an action described in
3 section 1073(1) of title 18, United States
4 Code or violating a condition of probation
5 or parole imposed under Federal or State
6 law; or

7 “(ii) has information that is necessary
8 for the officer to conduct the officer’s offi-
9 cial duties;

10 “(B) the location or apprehension of such
11 recipient is within the official duties of the
12 agency; and

13 “(C) the request is made in the proper ex-
14 ercise of such duties.”.

15 (f) EFFECTIVE DATES.—The amendments made by
16 this section shall be effective on the date of the enactment
17 of this Act.

18 **TITLE VI—CAPPING THE AGGRE-**
19 **GATE GROWTH OF WELFARE**
20 **SPENDING**

21 **SEC. 601. CAP ON GROWTH OF FEDERAL SPENDING ON**
22 **CERTAIN WELFARE PROGRAMS.**

23 (a) RESTRICTIONS ON SPENDING.—The total amount
24 of Federal spending for a fiscal year for the programs list-
25 ed in subsection (b) shall not exceed—

1 (1) in fiscal year 1995, an amount equal to the
2 sum of—

3 (A) the total Federal spending for fiscal
4 year 1994 on the programs listed in section
5 603;

6 (B) the total Federal spending for fiscal
7 year 1994 on the refundable portion of the
8 earned income credit under section 32 of the
9 Internal Revenue Code of 1986; and

10 (C) the total Federal spending for fiscal
11 year 1994 on the head start programs carried
12 out under the Head Start Act;

13 (D) the total Federal spending for fiscal
14 year 1994 on cash, medical, and social services
15 assistance furnished to refugees and entrants
16 under title IV of the Immigration and National-
17 ity Act and section 501 of the Refugee Edu-
18 cation Assistance Act of 1980; and

19 (E) the total Federal spending for fiscal
20 year 1994 on the special supplemental food pro-
21 gram for women, infants, and children carried
22 out under section 17 of the Child Nutrition Act
23 of 1966; and

24 (2) in fiscal year 1996 and succeeding fiscal
25 years, an amount equal to the sum of—

1 (A) the total Federal spending permitted
2 under this subsection for the preceding fiscal
3 year; and

4 (B) 3.5 percent of such spending.

5 (b) PROGRAMS SUBJECT TO SPENDING LIMIT.—The
6 programs listed in this subsection are the following:

7 (1) The welfare block grant program estab-
8 lished under section 602.

9 (2) The refundable portion of the earned in-
10 come credit under section 32 of the Internal Reve-
11 nue Code of 1986.

12 (3) Grants for assistance to children born out-
13 of-wedlock under part C of title IV of the Social Se-
14 curity Act.

15 (4) The head start programs carried out under
16 the Head Start Act.

17 (5) The cash, medical, and social services as-
18 sistance programs for refugees and entrants under
19 title IV of the Immigration and Nationality Act and
20 section 501 of the Refugee Education Assistance Act
21 of 1980.

22 (6) The special supplemental food program for
23 women, infants, and children carried out under sec-
24 tion 17 of the Child Nutrition Act of 1966.

25 (c) RECONCILIATION OF GROWTH LIMITS.—

1 (1) ALLOCATIONS.—The joint explanatory
2 statement accompanying a conference report on a
3 concurrent resolution on the budget described in sec-
4 tion 301 of the Congressional Budget Act of 1974
5 for a fiscal year shall include allocations to each
6 committee based on the spending cap imposed by
7 subsection (a) for such fiscal year.

8 (2) RECONCILIATION DIRECTIVES.—The rec-
9 onciliation directives described in section 310 of the
10 Congressional Budget Act of 1974 shall specify re-
11 ductions for each committee necessary to comply
12 with the spending caps imposed by subsection (a) for
13 such fiscal year.

14 (3) CONSULTATION WITH COMMITTEES.—In
15 conducting any activities required under paragraphs
16 (1) and (2), the Committees on the Budget of the
17 House of Representatives and the Senate shall con-
18 sult with the following committees of Congress:

19 (A) The Committee on Ways and Means of
20 the House of Representatives.

21 (B) The Committee on Finance of the Sen-
22 ate.

23 (C) The Committee on Agriculture of the
24 House of Representatives.

1 (D) The Committee on Agriculture, Nutri-
2 tion, and Forestry of the Senate.

3 (E) The Committee on Education and
4 Labor of the House of Representatives.

5 (F) The Committee on Labor and Human
6 Resources of the Senate.

7 (G) The Committee on Banking, Finance
8 and Urban Affairs of the House of Representa-
9 tives.

10 (H) The Committee on Banking, Housing,
11 and Urban Affairs of the Senate.

12 (I) The Committee on Energy and Com-
13 merce of the House of Representatives.

14 (d) REFUNDABLE PORTION OF EITC.—For purposes
15 of this title, the refundable portion of the earned income
16 credit under section 32 of the Internal Revenue Code of
17 1986 is the amount treated as an overpayment of tax
18 under section 6401(b)(1) of such Code which is allocable
19 to such credit.

20 **SEC. 602. ESTABLISHMENT OF WELFARE BLOCK GRANT**
21 **PROGRAM.**

22 (a) GRANTS AUTHORIZED.—

23 (1) IN GENERAL.—For fiscal year 1995 and
24 succeeding fiscal years, the Secretary of Health and
25 Human Services (hereafter referred to in this section

1 as the “Secretary”) shall make grants to the States
2 in accordance with this section.

3 (2) LIMIT ON TOTAL AMOUNT OF GRANTS.—

4 (A) IN GENERAL.—The aggregate amount
5 of grants made to States under this section for
6 a fiscal year shall not exceed the total Federal
7 spending permitted under section 601(a) for the
8 fiscal year reduced by the sum of the amount
9 to be expended by the Federal Government for
10 the fiscal year, as estimated by the Congres-
11 sional Budget Office, for—

12 (i) the refundable portion of the
13 earned income credit under section 32 of
14 the Internal Revenue Code of 1986;

15 (ii) grants for assistance to children
16 born out-of-wedlock under part C of title
17 IV of the Social Security Act;

18 (iii) the head start programs carried
19 out under the Head Start Act;

20 (iv) cash, medical, and social services
21 assistance furnished to refugees and en-
22 trants under title IV of the Immigration
23 and Nationality Act and section 501 of the
24 Refugee Education Assistance Act of 1980;
25 and

1 (v) the special supplemental food pro-
2 gram for women, infants, and children car-
3 ried out under section 17 of the Child Nu-
4 trition Act of 1966.

5 (B) ADJUSTMENTS.—If the programs list-
6 ed in clauses (i) through (iii) of subparagraph
7 (A) are amended by law after the Congressional
8 Budget Office has completed the estimates re-
9 quired under such subparagraph, the aggregate
10 amount of grants made to States under this
11 section (as determined under subparagraph
12 (A)) shall be reduced by the amount by which
13 the total Federal spending on such programs,
14 as amended, will exceed the amount determined
15 under such estimates.

16 (3) ALLOCATION TO THE STATES.—

17 (A) IN GENERAL.—Except as provided in
18 subparagraph (B), a State shall receive a grant
19 under this section for a fiscal year equal to the
20 amount which bears the same ratio to the total
21 amount appropriated for grants under this sec-
22 tion for the fiscal year as the total amount of
23 Federal funds received by the State under the
24 programs listed in section 603 for fiscal year
25 1994 bears to the total amount of Federal

1 funds received by all States under the programs
2 listed in section 603 for fiscal year 1994.

3 (B) SPECIAL RULE FOR PUBLIC HOUSING
4 AUTHORITIES.—In the case of a State which is
5 a public housing authority, any grant made
6 under subparagraph (A) with respect to such
7 authority shall be directly allocated to the high-
8 est governmental unit of general authority
9 (other than the Federal Government) in the ju-
10 risdiction in which the such authority is located.

11 (b) PROVISION OF AID TO LOW-INCOME HOUSE-
12 HOLDS.—

13 (1) IN GENERAL.—A State shall use the
14 amounts received under this section to provide aid to
15 low-income households located in the State. Except
16 as provided in subsection (c), a State shall have the
17 authority to provide such aid in any manner deter-
18 mined appropriate by the State, including the au-
19 thority to determine—

20 (A) the type of benefits constituting such
21 aid;

22 (B) the level of benefits constituting such
23 aid;

24 (C) the eligibility criteria for such aid; and

1 (D) the appropriateness of any reports to
2 the Secretary with respect to such aid.

3 (2) DEFINITION OF LOW-INCOME HOUSE-
4 HOLD.—For purposes of this section, the term “low-
5 income household” means a household with an an-
6 nual income that is less than 175 percent of the
7 Federal poverty income guidelines issued by the De-
8 partment of Health and Human Services.

9 (c) SPECIAL RULES REGARDING USE OF FUNDS.—

10 (1) NO FUNDS USED FOR ABORTION.—A State
11 may not use grant funds received under this section
12 for making abortion available as a method of family
13 planning or for any counseling or advising with re-
14 spect to abortion.

15 (2) WORK REQUIREMENTS.—

16 (A) IN GENERAL.—If a State uses grant
17 funds received under this section to provide di-
18 rect cash assistance during a fiscal year to a
19 population that is equivalent to a population de-
20 scribed in subparagraph (B), the requirements
21 concerning work, job search, and job training
22 provided under subparagraph (C) shall apply to
23 each equivalent population receiving assistance.

24 (B) POPULATIONS DESCRIBED.—The pop-
25 ulations described in this subparagraph are the

1 populations that would be required to partici-
2 pate in—

3 (i) the State's welfare and dependency
4 reduction program under subsection (a)(1)
5 of section 483 of the Social Security Act
6 (as amended by section 101 of this Act) if
7 such program were in effect during the fis-
8 cal year; and

9 (ii) the State's welfare and depend-
10 ency reduction program under subsection
11 (c)(1) of section 483 of the Social Security
12 Act (as amended by section 101 of this
13 Act) if such program were in effect during
14 the fiscal year.

15 (C) REQUIREMENTS ON STATES.—With re-
16 spect to any population which receives direct
17 cash assistance under this section and which is
18 equivalent to a population described in subpara-
19 graph (B), the State shall meet the following
20 requirements:

21 (i) The State shall meet the cor-
22 responding State participation rate re-
23 quirements established under subsections
24 (a)(2) and (c)(2) of section 483 of the So-
25 cial Security Act (as amended by section

1 101 of this Act) that would be in effect if
2 the State's welfare and dependency reduc-
3 tion program were in effect during the fis-
4 cal year.

5 (ii)(I) Except as provided subclause
6 (II), the State shall not reduce the number
7 of hours of required participation in work
8 and job search activity specified under sub-
9 sections (a)(1) and (c)(1) of section 483 of
10 the Social Security Act (as amended by
11 section 101 of this Act) that would be in
12 effect if the State's welfare and depend-
13 ency reduction program were in effect dur-
14 ing the fiscal year.

15 (II) For purposes of subclause (I), a
16 State may reduce the number of hours of
17 required participation as specified under
18 subsection (c)(1) of section 483 of the So-
19 cial Security Act in the case of an individ-
20 ual who provides child care services to
21 other individuals conducting work, job
22 search, and job training activities in ac-
23 cordance with this subparagraph.

24 (iii) In establishing participation re-
25 quirements for a population which is re-

1 ceiving direct cash assistance under this
2 section and which is equivalent to the pop-
3 ulation described in section 483(c)(1) of
4 the Social Security Act (as amended by
5 section 101 of this Act) the State shall
6 comply with the provisions of section
7 483(c)(3) of such Act (as amended by sec-
8 tion 101 of this Act) relating to work pri-
9 orities for families with older children, that
10 would be in effect if the State's welfare
11 and dependency reduction program were in
12 effect during the fiscal year.

13 (iv) In operating any work program in
14 accordance with this paragraph, the State
15 shall follow a system of payment based on
16 performance which directly prorates assist-
17 ance based on the satisfactory completion
18 of the required hours of specified activity,
19 similar to the system established under
20 section 484(e) of the Social Security Act
21 (as amended by section 101 of this Act).

22 (v) The State shall require individuals
23 who are noncustodial parents who fail to
24 pay child support for children who receive
25 direct cash or food assistance under this

1 section and who are equivalent to children
2 who would be eligible for aid to families
3 with dependent children if such program
4 were in effect during the fiscal year, to
5 comply with the provisions of section
6 483(b) of the Social Security Act (as
7 amended by section 101 of this Act) that
8 would be in effect if the State's welfare
9 and dependency reduction program were in
10 effect during the fiscal year.

11 (D) OTHER RECIPIENTS.—If a State uses
12 grant funds received under this section to pro-
13 vide direct food or cash assistance during a fis-
14 cal year to a population that is equivalent to
15 the population that would be subject to the
16 State work program under section 6(i) of the
17 Food Stamp Act of 1977 (as amended by sec-
18 tion 102 of this Act) if such program were in
19 effect during the fiscal year, such equivalent
20 population shall be subject to the provisions of
21 section 6(i) of the Food Stamp Act of 1977 (as
22 amended by section 102 of this Act) as if such
23 program were in effect during the fiscal year.

24 (E) STATE EXPERIMENTATION.—

1 (i) IN GENERAL.—Except as provided
2 in clause (ii), for purposes of experimen-
3 tation, a State may waive within a limited
4 locality within the State the requirements
5 under subparagraphs (C) and (D). A State
6 conducting an experiment under this sub-
7 paragraph shall have the full authority to
8 establish within the locality of the experi-
9 ment—

10 (I) the categories of recipients of
11 aid who will be required to participate
12 in some form of work, job search, or
13 job training activity; and

14 (II) the types of activity which
15 will be required.

16 (ii) LIMITATION.—Clause (i) shall
17 apply to a State only if the State meets the
18 following requirements:

19 (I) The State shall notify the
20 Secretary of the modifications to the
21 requirements under subparagraphs
22 (C) and (D) that the State proposes
23 to make and shall receive the approval
24 of the Secretary.

1 (II) The State shall assure the
2 Secretary that the overall average
3 weekly aggregate number of recipients
4 of assistance under this section within
5 the locality of the experiment who will
6 be required to participate in some
7 form of work, job search, or job train-
8 ing will not be less than the average
9 weekly number required to participate
10 in such activities under subparagraphs
11 (C) and (D).

12 (F) WORK REQUIREMENTS ELIMINATED
13 FOR GROUPS WHICH NO LONGER RECEIVE BEN-
14 EFITS.—The State shall not be required to im-
15 pose work, job search, or job training require-
16 ments on any—

17 (i) subgroup of a population that is
18 equivalent to a subgroup of a population
19 described in subparagraph (B), if the State
20 ceases to provide direct cash assistance to
21 such subgroup; or

22 (ii) subgroup of a population that is
23 equivalent to a subgroup of the population
24 that would be subject to the State work
25 program under section 6(i) of the Food

1 Stamp Act of 1977 (as amended by section
2 102 of this Act) if such program were in
3 effect, if the State ceases to provide direct
4 food or cash assistance to such subgroup.

5 (3) BENEFITS TO YOUNG UNWED PARENTS.—

6 (A) CASH ASSISTANCE.—Any individual
7 described in section 402(a)(50)(A) of the Social
8 Security Act (as added by section 201(b) of this
9 Act) shall be denied cash assistance paid out of
10 grant funds received by the State under this
11 section in the same manner as such individual
12 would be denied aid to families with dependent
13 children under such section if funding for the
14 aid to families with dependent children program
15 was not terminated under section 603.

16 (B) FOOD ASSISTANCE.—Any individual
17 described in section 6(j)(1) of the Food Stamp
18 Act of 1977 (as added by section 201(c) of this
19 Act) shall be denied direct food assistance paid
20 out of grant funds received by the State under
21 this section in the same manner as such indi-
22 vidual would be denied food stamps under such
23 section if funding for the food stamp program
24 was not terminated under section 603.

1 (C) HOUSING ASSISTANCE.—Any individ-
2 ual described in sections 6(q) and (8)(z) of the
3 United States Housing Act of 1937 (as added
4 by section 201(d) of this Act) shall be denied
5 housing assistance paid out of grant funds re-
6 ceived by the State under this section in the
7 same manner as such individual would be de-
8 nied housing assistance under such section if
9 funding for the housing assistance program was
10 not terminated under section 603.

11 (4) BENEFIT PROVISIONS REGARDING ADDI-
12 TIONAL CHILDREN.—A State may not use grant
13 funds received under this section for providing direct
14 cash, food, or housing aid to a child if the custodial
15 parent of such child is, at the time of the child's
16 birth—

17 (A) a recipient of direct cash aid paid for
18 out of grant funds received by the State under
19 this section; or

20 (B) an individual who received such aid
21 anytime during the 10-month period ending
22 with the birth of the child.

23 (5) REQUIREMENTS FOR PATERNITY ESTAB-
24 LISHMENT.—The provisions of section 402(a)(52) of
25 the Social Security Act (as added by section 203(a)

1 of this Act) shall apply to any family applying for
2 direct cash aid paid out of grant funds received by
3 a State under this section in the same manner as
4 such provisions would apply to a family applying for
5 aid under the aid to families with dependent children
6 program if funding for such program was not termi-
7 nated under section 603.

8 (6) REQUIREMENTS RELATING TO AID FOR
9 NONCITIZENS.—A State shall not use grant funds
10 received under this section for providing aid to an
11 individual who is not a United States citizen.

12 (7) AID DENIED TO FUGITIVE FELONS AND
13 PROBATION OR PAROLE VIOLATORS.—

14 (A) IN GENERAL.—A State shall not use
15 grant funds received under this section for pro-
16 viding aid to an individual who—

17 (i) is taking an action described in
18 section 1073(1) of title 18, United States
19 Code, or

20 (ii) is violating a condition of proba-
21 tion or parole imposed under Federal or
22 State law.

23 (B) EXCHANGE OF INFORMATION WITH
24 LAW ENFORCEMENT AGENCIES.—A State re-
25 ceiving grant funds under this section shall fur-

1 nish to a Federal, State, or local law enforce-
2 ment officer, upon such officer's request, the
3 current address of any individual receiving aid
4 under this section if the officer furnishes the
5 State with such individual's name and notifies
6 the State that—

7 (i) such individual—

8 (I) is taking an action described
9 in section 1073(1) of title 18, United
10 States Code or violating a condition of
11 probation or parole imposed under
12 Federal or State law; or

13 (II) has information that is nec-
14 essary for the officer to conduct the
15 officer's official duties;

16 (ii) the location or apprehension of
17 such recipient is within the officer's official
18 duties; and

19 (iii) the request is made in the proper
20 exercise of those duties.

21 (8) CIVIL RIGHTS LAWS.—A State shall not vio-
22 late any requirement established by statute or regu-
23 lation under the following Acts in providing aid
24 using grant funds received under this section:

1 (A) Title VI of the Civil Rights Act of
2 1965.

3 (B) Section 504 of the Rehabilitation Act
4 of 1973.

5 (C) Title IX of the Education Amendments
6 of 1972.

7 (D) The Age Discrimination Act of 1975.

8 (E) The Americans With Disabilities Act
9 of 1990.

10 (9) RECOMMENDATION WITH RESPECT TO CER-
11 TAIN PROVISIONS.—Except as provided in para-
12 graphs (2), (3), (4), (5), (6), and (7) it is rec-
13 ommended that a State provide aid out of grant
14 funds received under this section in accordance with
15 the principles of the provisions contained in the
16 amendments made by titles I, II, V, and VI of this
17 Act.

18 (10) CHILD SUPPORT AND PATERNITY ESTAB-
19 LISHMENT.—A State receiving grant funds under
20 this section shall conduct child support and pater-
21 nity establishment activities in accordance with part
22 D of title IV of the Social Security Act.

23 (d) NO ENTITLEMENT TO RECEIVE AID.—An indi-
24 vidual shall not be entitled to receive aid out of grant
25 funds received by a State under this section.

1 (e) DEFINITION OF STATE.—For purposes of this
2 section, the term “State” means any governmental unit
3 (other than a public housing authority) that received Fed-
4 eral funds under a program listed in section 603 during
5 fiscal year 1994.

6 **SEC. 603. CONVERSION OF FUNDING UNDER CERTAIN WEL-**
7 **FARE PROGRAMS.**

8 Notwithstanding any other provision of law, effective
9 October 1, 1994, funding under the following programs
10 is terminated, and any entitlement to benefits established
11 under the following programs is repealed:

12 (1) CASH AID.—

13 (A) The program of aid and services to
14 needy families with children under title IV of
15 the Social Security Act (excluding the child
16 support and establishment of paternity program
17 under part D of such title) (Budget account
18 number: 75-1501-0-1-609).

19 (B) The supplemental security income pro-
20 gram under title XVI of the Social Security Act
21 (Budget account number: 75-0406-0-1-609).

22 (C) The foster care and adoption assist-
23 ance program under part E of title IV of the
24 Social Security Act (Budget account number:
25 75-1545-1-1-506).

1 (D) Emergency assistance to needy fami-
2 lies with children under title I, parts A and D
3 of title IV, and titles X, XI, XIV, and XVI of
4 the Social Security Act (Budget account num-
5 ber: 75-1501-0-1-609).

6 (E) General assistance to Indians (Budget
7 account number: 14-2100-0-1-452).

8 (2) MEDICAL AID.—

9 (A) Indian health services (Budget account
10 number: 75-0390-0-1-551).

11 (B) The Maternal and Child Health Serv-
12 ices Block Grant Program under title V of the
13 Social Security Act. (Budget account number:
14 75-0350-0-1-551).

15 (C) The program established in section
16 330 of the Public Health Service Act (relating
17 to community health centers) (Budget account
18 number: 75-0350-0-1-550).

19 (D) The program established in section
20 329 of the Public Health Service Act (relating
21 to migrant health centers) (Budget account
22 number: 75-0350-0-1-550).

23 (3) FOOD AID.—

1 (A) The food stamp program under the
2 Food Stamp Act of 1977 (Budget account num-
3 ber: 12-3505-0-1-605).

4 (B) The school lunch program carried out
5 under the National School Lunch Act (Budget
6 account number: 12-3539-0-1-605).

7 (C) The emergency food assistance pro-
8 gram under the Emergency Food Assistance
9 Act of 1983 (Budget account number: 12-
10 3635-0-1-351).

11 (D) The nutrition programs carried out
12 under part C of title III of the Older Americans
13 Act of 1965 (Budget account number: 12-
14 3503-0-1-351).

15 (E) The school breakfast program carried
16 out under section 4 of the Child Nutrition Act
17 of 1966 (Budget account number: 12-3539-0-
18 1-605).

19 (F) The child and adult care food program
20 carried out under section 17 of the National
21 School Lunch Act (Budget account number:
22 12-3539-0-1-605).

23 (G) The summer food service program for
24 children carried out under section 13 of the Na-

1 tional School Lunch Act (Budget account num-
2 ber: 12-3539-0-1-605).

3 (H) The needy families food distribution
4 program under section 4(b) of the Food Stamp
5 Act of 1977 (Budget account number: 12-
6 3503-0-1-605).

7 (I) The commodity supplemental food pro-
8 gram for children and elderly persons author-
9 ized by the Agriculture and Consumer Protec-
10 tion Act of 1973 (Budget account number: 12-
11 3512-0-1-605).

12 (J) The special milk program carried out
13 under section 3 of the Child Nutrition Act of
14 1966 (Budget account number: 12-3502-0-1-
15 605).

16 (4) HOUSING AID.—

17 (A) Lower income housing assistance
18 under section 8 of the United States Housing
19 Act of 1937 (42 U.S.C. 1772) (Budget account
20 number: 86-0139-0-1-604).

21 (B) Low-rent public housing under the
22 United States Housing Act of 1937 (Budget ac-
23 count number: 86-4098-0-3-604).

24 (C) Rural housing loans for low-income
25 families under section 502 of the Housing Act

1 of 1949 (Budget account number: 12-2081-0-
2 1-371).

3 (D) Interest reduction payments under sec-
4 tion 236 of the National Housing Act (Budget
5 account number: 86-0148-0-1-604).

6 (E) Rural rental housing loans under sec-
7 tion 515 of the Housing Act of 1949 (Budget
8 account number: 12-2081-0-1-371).

9 (F) Rural rental assistance under section
10 521 of the Housing Act of 1949 (Budget ac-
11 count number: 12-0137-0-1-604).

12 (G) Homeownership assistance for lower
13 income families under section 235 of the Na-
14 tional Housing Act (Budget account number:
15 86-0148-0-1-604).

16 (H) Rent supplements under section 101
17 of the Housing and Urban Development Act of
18 1965 (Budget account number: 86-0129-0-1-
19 604).

20 (I) Indian housing improvement grants
21 under part 256 of title 25 Code of Federal Reg-
22 ulations (Budget account number: 14x-2301-
23 0-1-452).

24 (J) Rural housing repair loan grants for
25 very low-income rural home owners under sec-

1 tion 504 of the Housing Act of 1949 (Budget
2 account number: 12-2081-0-1-371).

3 (K) Farm labor housing loans under sec-
4 tion 514 of the Housing Act of 1949 (Budget
5 account number: 12-2081-0-1-371).

6 (L) Rural housing self-help technical as-
7 sistance grants under section 523 of the Hous-
8 ing Act of 1949 (Budget account number: 12-
9 2006-0-1-604).

10 (M) Rural housing self-help technical as-
11 sistance loans under section 523 of the Housing
12 Act of 1949 (Budget account number: 12-
13 2080-0-1-371).

14 (N) Farm labor housing grants under sec-
15 tion 516 of the Housing Act of 1949 (Budget
16 account number: 12-2004-0-1-604).

17 (O) Rural housing preservation grants for
18 low-income rural homeowners under section 533
19 of the Housing Act of 1949 (Budget account
20 number: 12-2070-0-1-604).

21 (5) ENERGY AID.—

22 (A) Programs under the Low-Income En-
23 ergy Assistance Act of 1981 (Budget account
24 number: 75-1502-0-1-609).

1 (B) The weatherization assistance program
2 under title IV of the Energy Conservation and
3 Production Act (Budget account number: 89–
4 0215–0–1–999).

5 (6) EDUCATION AID.—

6 (A) The Federal Pell Grant Program
7 under subpart 1 of part A of title IV of the
8 Higher Education Act of 1965 (Budget account
9 number: 91–0200–0–1–502).

10 (B) Grants under subpart 1 of part A of
11 chapter 1 of title I of the Elementary and Sec-
12 ondary Education Act of 1965 (Budget account
13 number: 91–0900–0–1–501).

14 (C) Federal supplemental educational op-
15 portunity grants under subpart 3 of part A of
16 title IV of the Higher Education Act of 1965
17 (Budget account number: 91–0200–1–502).

18 (D) Programs for Migratory Children
19 under subpart 1 of part D of chapter 1 of title
20 I of the Elementary and Secondary Education
21 Act of 1965 (Budget account number: 91–
22 0900–0–501).

23 (E) Federal TRIO Programs under chap-
24 ter I of subpart 2 of part A of title IV of the

1 Higher Education Act of 1965 (Budget account
2 number: 91-0201-0-1-502).

3 (F) Grants to States for State Student In-
4 centives under subpart 4 of part A of title IV
5 of the Higher Education Act of 1965 (Budget
6 account number: 91-0200-0-1-502).

7 (G) Grants to Institutions and Consortia
8 to Encourage Women and Minority Participa-
9 tion in Graduate Education under part A of
10 title IX of the Higher Education Act of 1965
11 (Budget account number: 91-0900-0-1-502).

12 (H) Programs under the Follow Through
13 Act (Budget account number: 91-1000-0-1-
14 501).

15 (7) JOBS AND TRAINING AID.—

16 (A) The adult training program carried out
17 under part A of title II of the Job Training
18 Partnership Act (Budget account number: 16-
19 0174-0-1-504-00.01).

20 (B) The summer youth employment and
21 training program carried out under part B of
22 title II of the Job Training Partnership Act
23 (Budget account number: 16-0174-0-1-504-
24 00.02).

1 (C) The Job Corps carried out under part
2 B of title IV of the Job Training Partnership
3 Act (Budget account number: 16-0174-0-1-
4 504-00.12).

5 (D) The older American community service
6 employment program carried out under title V
7 of the Older Americans Act of 1965 (Budget
8 account number: 16-0175-0-1-504).

9 (E) The JOBS program carried out under
10 part F of title IV of the Social Security Act
11 (Budget account number: 75-1509-0-1-504).

12 (F) The Foster Grandparent Program car-
13 ried out under part B of title II of the Domes-
14 tic Volunteer Service Act of 1973 (Budget ac-
15 count number: 44-0103-0-1-506).

16 (G) The Senior Companion Program car-
17 ried out under part C of title II of the Domestic
18 Volunteer Service Act of 1973 (Budget account
19 number: 44-0103-0-1-506).

20 (H) The employment and training pro-
21 grams for native americans and migrant and
22 seasonal farmworkers supported under sections
23 501 and 502 of the Job Training Partnership
24 Act (Budget account number: 16-0174-0-1-
25 504).

1 (I) Indian and Native American employ-
2 ment and training program (Budget account
3 number: 16-0174-0-1-504).

4 (8) SOCIAL SERVICES.—

5 (A) The Social Services Block Grant under
6 title XX of the Social Security Act (Budget ac-
7 count number: 75-1634-0-1-506).

8 (B) The community service block grant
9 programs carried out under the Community
10 Services Block Grant Act (Budget account
11 number: 75-1504-0-1-506).

12 (C) The activities carried out under the
13 Legal Services Corporation Act (Budget ac-
14 count number: 20-0501-0-1-752).

15 (D) The emergency food and shelter pro-
16 gram under title III of the Steward B. McKin-
17 ney Homeless Assistance Act (Budget account
18 number: 58-0103-1-605).

19 (E) The population research and voluntary
20 family planning programs carried out under
21 title X of the Public Health Service Act (Budg-
22 et account number: 75-0350-0-1-550).

23 (F) The program under the Domestic Vol-
24 unteer Service Act of 1973 (Budget account
25 number: (44-0103-0-1-506).

1 (G) The supportive services carried out
2 under part B of title III of the Older Americans
3 Act of 1965 (Budget account number: (75–
4 0142–1–506).

5 (H) Day care assistance under section
6 402(g) of the Social Security Act (Budget ac-
7 count number: 75–1515–0–1–609).

8 (9) AID TO LOW-INCOME COMMUNITIES.—

9 (A) The community development block
10 grant program carried out under the Housing
11 and Community Development Act of 1974
12 (Budget account number: 86–0162–0–1–451).

13 (B) The urban development block grant
14 program carried out under the Housing and
15 Community Development Act of 1974 (Budget
16 account number: 86–0170–0–1–451).

17 (C) Economic development administration
18 under the Public Works and Economic Develop-
19 ment Act of 1965 (Budget account number:
20 13–2050–0–1–452).

21 (D) The Appalachian regional development
22 program under the Appalachian Regional De-
23 velopment Act of 1965 (Budget account num-
24 ber: 46–0200–0–1–452).

1 (E) The activities carried out under section
2 204 of the Immigration Reform and Control
3 Act of 1986 (Budget account number: 75–
4 1508–0–1–506).

5 **SEC. 604. SAVINGS FROM WELFARE SPENDING LIMITS TO**
6 **BE USED FOR DEFICIT REDUCTION.**

7 (a) DEFICIT REDUCTION.—All savings to the Federal
8 Government resulting from the spending cap imposed
9 under section 601 shall be used for deficit reduction. Such
10 savings shall not be used to fund increased spending under
11 any programs that are not subject to the spending cap.

12 (b) ADJUSTMENT OF DISCRETIONARY CAPS.—For
13 purposes of the Omnibus Budget Reconciliation Act of
14 1993, the present discretionary spending caps shall be ad-
15 justed for the net increase in discretionary spending that
16 results from the creation of the welfare block grant as a
17 replacement for current welfare entitlement programs.

18 **SEC. 605. SPECIAL RULES WITH RESPECT TO GRANTS FOR**
19 **ASSISTANCE TO CHILDREN BORN OUT-OF-**
20 **WEDLOCK.**

21 (a) IN GENERAL.—Effective upon the termination of
22 funding under section 603 for the aid to families with de-
23 pendent children program under part A of title IV of the
24 Social Security Act—

1 (1) the requirement of section 440(b)(1) of the
2 Social Security Act shall be satisfied by a State if
3 the State had a plan in effect under section 402 of
4 such Act during the base year (as defined in section
5 442(b)(2)(C)(iii) of such Act); and

6 (2) notwithstanding section 442(a) of the Social
7 Security Act, the Federal savings amount for a
8 State for a fiscal year shall be determined under
9 subsection (b).

10 (b) DETERMINATION OF FEDERAL SAVINGS
11 AMOUNT.—

12 (1) IN GENERAL.—The Federal savings amount
13 for a State for a fiscal year is an amount equal to
14 the product of—

15 (A) the State per capita amount for the
16 fiscal year (as determined under paragraph
17 (2)); and

18 (B) the State's excluded population for the
19 fiscal year (as determined under section
20 442(b)(3) of the Social Security Act).

21 (2) PER CAPITA AMOUNT.—

22 (A) IN GENERAL.—The State per capita
23 amount for a fiscal year determined under this
24 paragraph is—

25 (i) for fiscal year 1995, the sum of—

1 (I) the average per capita
2 amount received by the State under
3 section 403 of the Social Security Act
4 during the base year (as defined in
5 section 442(b)(3)(C)(iii) of the Social
6 Security Act); and

7 (II) the average per capita
8 amount received by AFDC recipients
9 (as defined in subparagraph (B)) in
10 the State under the food stamp pro-
11 gram under the Food Stamp Act of
12 1977 during such base year; and

13 (ii) for fiscal year 1996 and succeed-
14 ing fiscal years, the amount determined
15 under this paragraph for the preceding fis-
16 cal year updated, through the midpoint of
17 the fiscal year, by projecting the estimated
18 percentage change in the Consumer Price
19 Index during the 12-month period ending
20 at that midpoint, with appropriate adjust-
21 ments to reflect previous underestimations
22 or overestimations under this subpara-
23 graph in the projected percentage change
24 in the Consumer Price Index.

1 (B) DEFINITION.—For purposes of sub-
 2 paragraph (A), the term “AFDC recipient”
 3 means an individual who received aid to fami-
 4 lies with dependent children under part A of
 5 title IV of the Social Security Act during the
 6 base year (as defined in section
 7 442(b)(3)(C)(iii) of the Social Security Act).

8 **SEC. 606. ELIGIBILITY UNDER THE MEDICAID PROGRAM.**

9 (a) IN GENERAL.—Section 1902(a)(10)(A)(i)(I) (42
 10 U.S.C. 1396a(a)(10)(A)(i)(I)) is amended to read as fol-
 11 lows:

12 “(I)(aa) who are receiving aid or
 13 assistance under any plan of the State
 14 approved under title I, X, or XIV, or

15 “(bb) who would be eligible to re-
 16 ceive aid or assistance under the
 17 State’s plan under title XVI or part A
 18 or E of title IV, as approved on the
 19 day before the date of the enactment
 20 of the Real Welfare Reform Act of
 21 1994, if such plan were in effect,”.

22 (b) STATE WAIVER.—A State may request a waiver
 23 from the Secretary of Health and Human Services to sim-
 24 plify the medicaid program eligibility criteria set forth in
 25 section 1902(a)(10)(A)(i)(I)(bb) (42 U.S.C.

1 1396a(a)(10)(A)(i)(I)(bb)) of the Social Security Act. The
 2 Secretary shall review any such waiver request and grant
 3 approval only if Federal expenditures under the medicaid
 4 program will not be increased as a result of such approval.
 5 (c) EFFECTIVE DATE.—The amendment made by
 6 subsection (a) shall be effective on October 1, 1994.

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